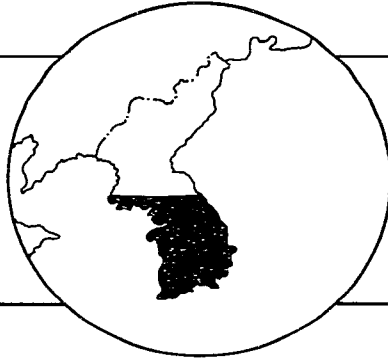


部長
安新

Commander - in - Chief
United States Army Forces, Pacific



SUMMATION

of

UNITED STATES ARMY
MILITARY GOVERNMENT

ACTIVITIES

in

KOREA

全用圖
海外保存用

No 6

March

1946

0001

朝鮮古領報告

一九四六年三月

GENERAL HEADQUARTERS
COMMANDER - IN - CHIEF
UNITED STATES ARMY FORCES, PACIFIC

SUMMATION No 6
UNITED STATES ARMY
MILITARY GOVERNMENT
ACTIVITIES
IN
KOREA

FOR THE MONTH OF
MARCH 1946

0002

COMMANDER IN CHIEF
UNITED STATES ARMY FORCES, PACIFIC

SUMMATION
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KOREA

Number 6

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SECTION 1

GENERAL

C O N T E N T S

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ADMINISTRATION AND POLITICAL ACTIVITIES

1. All provincial and lower level councils of government were dissolved by Ordinance No. 60. All records, functions, properties and civilian personnel of the Inspection Subsection of the Planning Section were transferred to the Office of the Civil Administrator by Ordinance 58.

2. The National Economic Board was established in the Office of the Civil Administrator to act as a coordinating agency for requests for imports and exports and to allocate raw materials and supplies to government departments.

3. Military Government announced that farm lands formerly owned by Japanese would be offered for sale to landless tenant farmers. Long term credit will be extended and payment will be made in farm produce.

Departmental Activities

4. The Civil Service Training Academy was organized. The first class will begin 1 April and will comprise 102 middle school graduates selected from the provinces.

5. Crime was not widespread due largely to increased effectiveness of the Korean police. Korean civil police were authorized to apprehend and deliver to United States Army authorities any member of the American Forces caught in a serious criminal act. A warning was issued against the use of third degree methods.

Judges in Korean criminal courts were ordered to dispose of all cases involving Japanese nationals by 31 March. Jurisdiction of the Bureau of Justice and provost courts in seven types of criminal offenses was established by the Bureau of Justice.

Membership in the National Bar Association was broadened to admit former law teachers.

Traffic in South Korea will drive on the right-hand side after 1 April.

6. The New Korea Company was renamed the New Korea Company Limited and established as an independent agency of the Military Government of Korea by Ordinance No. 52, effective 3 March. The Korean Commodity Company was renamed the Office of the Controller of Commodities.

7. The Korean press, publishers and public speakers were warned that freedom of speech does not confer the right to make false pronouncements that jeopardize the public peace.

Political Parties

8. The first legal celebration of Korean Independence Day, better known as Sam Il Day, 1 March, was marked by orderly celebrations.

9. One hundred thirty-four political parties registered under Ordinance No. 55. The Yenan Independence Alliance changed its name to the Korean New Democratic Party. Unification of political groups made little progress.

Dr. Syngman Rhee attempted to resign as chairman of the Representative Democratic Council on grounds of ill health but was persuaded to take an indefinite leave of absence instead and Kim Kyuh Sik became chairman pro tem.

Public attention was focused on the threat of hunger and speculation on the United States-Soviet Joint Commission meetings which opened on 20 March.

Repatriation

10. Koreans repatriated from Japan and other areas during March numbered 24,259 and 5,315 respectively, bringing the totals on 25 March to 831,387 and 30,858. On 25 March an estimated 1,200 Japanese remained in South Korea.

Repatriation from Japan to South Korea of Koreans destined for North Korea was suspended indefinitely. Registration of Chinese in Seoul was completed and licensing of Chinese places of business begun.

ECONOMIC ACTIVITIES

Agriculture, Forestry and Fisheries

11. The rice seizure program received press and public criticism but Military Government remained adamant and announced that a rationing plan would be instituted in Seoul. Rice stocks in Seoul totaled 7,123 tons on 28 March.

12. No solution of the fertilizer shortage was found. Planting of poppy seeds was forbidden and silkworm eggs were distributed to the provinces.

13. Control over many Japanese-owned forest lands was placed in the Bureau of Agriculture by Custody Order No. 4. An analysis of lumber requirements and forest growth showed that minimum requirements cannot be met from available resources in South Korea. All lumber in South Korea was frozen for use by the tactical forces. Planting of 90,000,000 seedlings is planned during "Emancipation Planting Week" to start 1 April.

14. Registration of fishing craft neared completion and a fleet of 1,000 boats was fully equipped for the season's opening on 1 April.

Commerce and Finance

15. Shipment from Japan of over 3,000 tons of industrial chemicals critically needed in the resumption of Korean industry was ordered by SCAP.

16. The period for deposit of Bank of Japan and Bank of Taiwan notes was extended to 16 March by Ordinance No. 59, effective 7 March.

Withdrawals from former Japanese-owned bank accounts now vested in Military Government were authorized for Japanese nationals permitted to return to Japan and for heads of households remaining in Korea.

Korean financial institutions were authorized to collect interest due them on loans, bills or overdrafts of former Japanese-owned organizations and nationals.

17. Control over critical commodities was established by the Bureau of Commerce. A national commercial agent will coordinate activities through provincial governors and prices will be fixed by Military Government. Plans to ration rice were made so that when stockpiles become adequate they may be put into effect on short notice.

Mining and Industry

18. Shortages of coal and raw materials eased slightly and some 20 new manufacturing plants opened. Production of tools and farm equipment increased and South Korea's largest spinning mill and only woolen manufacturing plant reopened. Home industry assisted in the production of yarn.

Subsidies totaling ₩ 2,800,000 were approved for national road repair and river improvement.

Communications and Transportation

19. Limited exchanges of first class mail were made between the United States and Russian commands at the 38th parallel. A shipment of 3,700 pounds of new issue postage stamps printed in Japan was received for distribution 1 May.

20. Increased coal supplies including 66,000 tons from Japan enabled Korean railways to resume operation at full capacity even though handicapped by old rolling stock.

Marine transportation was augmented by additional LST's and Baltic-type vessels. In all, 1,189 Korean vessels representing 69,000 tons have been registered and licensed.

Eight Korean weather observers began work at Kimpo airfield and a new class entered training.

SOCIAL ACTIVITIES

Education, Culture and Religion

21. In Chonju, Cholla Pukto, officers and men of Sixth Infantry Division Headquarters donated a scholarship fund of ₩ 4,500 to offset living expenses of students whose homes are distant from school.

22. School participation in political demonstrations and dissemination of political propaganda was forbidden. The prohibition does not prevent study of political sciences.

Private schools operating without a license were ordered closed and their books confiscated.

23. An adult training course aimed at developing leaders in Korean social and cultural life will open 1 April with selected representatives from all provinces attending. A long range educational program in principles of democratic government and life was instituted.

Boy and Girl Scout organizations in South Korea have been reorganized and constitutions adopted.

Public Health and Welfare

24. Incidence of smallpox in cities was high but universal vaccination is rapidly being achieved. Over 8,000,000 units of smallpox vaccine have been produced since the establishment of Military Government.

Eight hundred bottles of typhoid vaccine were shipped to the provinces and in Seoul typhus inoculation of 85,000 school children was completed.

25. Three hundred sixty Civil Affairs Division medical units arrived at Inchon and 100 bottles of blood plasma were received from the United States.

Twelve government life insurance hospitals have been opened and a dispensary for Korean civil service employees of the National Government was opened. Construction of a 300 bed national tuberculosis sanitorium is nearly completed.

26. All dentists and dental appliance manufacturers were required to register with the Bureau of Public Health and Welfare, and the Korean Board of Dental Licensure and Registration was formed.

27. Scientists at the National Chemistry Laboratory successfully developed a synthesis of amytal. Translation of Korean pharmacy laws into English was completed.

28. Military Government veterinary officers will supervise inoculation of cattle as a safeguard against rinderpest in an area extending across the Korean peninsula immediately south of the 38th parallel. Fowlpest is being brought under control by immunization of poultry flocks.

29. General relief supplies totaling 250 long tons were received from Hawaii and several million pounds of surplus United States Army rations relieved food shortages in hospitals and other institutions.

To augment clothing supplies quantities of Japanese apparel are being sold under auspices of the city of Seoul to persons with low income.

SECTION 2
POLITICAL ACTIVITIES

C O N T E N T S

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ADMINISTRATION

1. All provincial and lower level councils of government were dissolved by Ordinance No. 60. Its provisions removed from office all council members appointed under Japanese rule and not yet dismissed, and impounded all funds and records of such councils.

2. The National Economic Board was established in the Office of the Civil Administrator. It coordinates all requests for imports and exports and allocates all raw materials and supplies needed by the various departments of government.

Mechanics of receiving, distributing and accounting for supplies imported or exported at the Board's direction will be handled by a newly created Foreign Trading Corporation. This organization is capitalized at ¥ 100,000,000 and will be the purchasing authority directing the distribution of imported items through controlled channels to the ultimate consumer.

③ Widespread interest and comment were engendered by the announcement that farm lands formerly owned by Japanese would be offered for sale to landless tenant farmers. Long term credit will be extended and payments will be made in farm produce.

4. Minor changes included the transfer of the Inspection Subsection of the Planning Section to the Office of the Civil Administrator.

5. Relationships between Army personnel and the Korean public were curtailed by an order prohibiting acceptance of gifts and discouraging visits to Korean homes in an effort to further conserve dwindling food supplies.

DEPARTMENTAL ACTIVITIES

Civil Service

6. A Civil Service Training Academy was organized under the Office of Korean Civil Service. Students have been drawn from every province, and the first class opening 1 April will number 102 middle school graduates selected by the provincial governors. The course will be of four months' duration and will include administrative and civil law, ethics, English, accounting and governmental practices. It is expected that the second course scheduled to begin in September will accommodate 200 trainees.

Property Control

7. Control of all formerly Japanese-owned forest lands not specifically requisitioned by other government departments or agencies was transferred to the Bureau of Agriculture by Custody Order No. 4 on 18 March. General control remains with the property custodian, with the Forestry Department of the Bureau of Agriculture designated as his responsible agent. The measure will enable the Forestry Department to better administer timber production and distribution and to control destructive practices of Koreans who have stripped many thousands of acres of trees for fuel.

Legislation

8. Major legislation during March with effective dates included the following ordinances:

No. 58, effective 15 March, transferred all records, functions, properties, and civilian personnel of the Inspection Subsection of the Planning Section to the Office of the Civil Administrator.

No. 59, effective 7 March, amended Ordinance No. 57 and extended to 16 March the period for deposit of Bank of Japan and Bank of Taiwan notes.

No. 60, effective 24 March, dissolved all provincial and lower level governmental councils and impounded their records and properties.

Legal and Judicial Affairs

9. Korean employees have demonstrated their ability to successfully operate the Bureau of Justice and military personnel have been withdrawn with the exception of top level supervision.

10. Membership in the National Bar Association of Korea was broadened by amendment of Paragraph 2 of Bureau of Justice Order No. 4 to admit persons who had taught law in accredited colleges or universities for not less than five years. The amendment extends to them the privilege of practicing law without taking the examinations normally required.

11. Judges in Korean criminal courts were ordered to dispose of cases involving Japanese nationals by 31 March. The order implemented a recent directive that all Japanese nationals not essential to the Military Government be immediately repatriated to Japan.

Examinations are being given to select prosecutors and judges for Korean courts. One hundred candidates will be chosen for a year's special training given by the Bureau of Justice.

12. Jurisdiction was established for seven types of criminal offenses under instructions issued by the Bureau of Justice on 13 March. The order provided that: (1) cases involving criminal offenses by members of the Occupation Forces, persons serving with the Occupying Forces or persons claiming diplomatic immunity will be submitted to the Bureau of Justice for action; (2) cases involving criminal offenses by personnel of the United Nations other than United States Forces, or by any persons contravening Korean criminal laws and involving the prestige or security of the United States will be handled by provost courts.

National Defense and Public Safety

13. Korean civil police were authorized to apprehend and

deliver to the nearest United States Army authorities any member of the American Forces caught in a serious criminal act. To avoid abuse, specific crimes in which jurisdiction could be applied were outlined and the Military Governor was made responsible for implementation and control. The crimes listed were murder, manslaughter, rape, robbery, assault with a weapon or aggravated assault.

14. An order was published warning against the use of third degree methods by any member of the police forces. The order emphasized that these methods would not be tolerated and that any case would be severely punished. In spite of some instances of brutality the Korean civil police have demonstrated that they are a well trained, capable and loyal organization.

In Cholla Namdo Province 150 men are graduated from a special training course in police work every two weeks. A school for railroad police was opened at Seoul in February and continued to 15 March. All students are middle school graduates between 21 and 35 years of age. They are being trained in techniques incident to railroad traffic and freight security.

15. Traffic regulations in South Korea will undergo a radical change on 1 April when drivers will revert to the old Korean custom of driving on the right-hand side, a system changed by the Japanese to conform to their own method of driving on the left.

16. Approximately 500 men are undergoing training in the Korean Coast Guard, 60 of whom will receive special training as radio operators and technicians beginning 1 April.

17. Crime was not widespread due to a combination of increased effectiveness of the Korean police and a desire to avoid violence before and during the Joint Commission meetings.

Two hundred passengers on a train from Kaesong were searched and arrested at the Seoul railway station. Civil police and United States Army authorities confiscated weapons and ₩ 1,400,000 in cash. The money confiscated represented holdings in excess of those allowed people crossing the border.

A large counterfeiting ring was smashed in Seoul and four persons arrested. A lithographic machine, inks and ₩ 280,000 in bogus currency were seized.

The New Korea Company

18. The New Korea Company, an agency of the Military Government, was formerly the Korean branch of a Japanese commercial organization known as the Oriental Development Company. The head officers of the development company were in Tokyo and its aim was to exploit Korean resources and manufacture for the benefit of Japanese capital.

In general this company has retained the Japanese organizational pattern and is deeply involved in all phases of Korean economic life. While the full extent of its interests is not yet known, it has more than 44 subsidiary companies with the ownership and management of agricultural lands a major activity. All Japanese personnel were discharged and the greater portion of funds embezzled by the Japanese was recovered.

Ordinance No. 52, effective 3 March, entitled "Creation of the New Korea Company Limited", established the company as an independent agency of the Military Government. The organization, which has been operating since November 1945, will be managed by a president and directors appointed by the Military Governor. The entire capital stock is owned by the Military Government of Korea and was paid in

full by transfer of the physical properties of the Oriental Development Company. A board has been created with representation from each of the provinces to assist and advise the management.

Korean Commodity Company

19. The name of this agency of the Military Government was changed to Office of the Controller of Commodities. Reasons for the change were two fold: to decentralize administration, all intra-provincial collection, storing and distribution of rice were made responsibilities of the provincial governments; secondly, and of prime importance to Military Government units in the field, the change dissociated the functions and purpose of this organization from those of its Japanese predecessor.

The company established the following quotas for rice shipment during March:

<u>From</u>	<u>To</u>	<u>Quantity (in suk) a/</u>
Cholla Pukto	Seoul	32,000
	Inchon	6,000
	Mukko	8,000
	Chechon	2,000
	Wonju	2,000
	Chunchon	<u>8,000</u>
		58,000
Cholla Namdo	Mukto	8,000
Chung Chong Pukto	Seoul	4,500
Chung Chong Namdo	Seoul	36,000
	Inchon	<u>6,000</u>
		42,000
Kyong Sang Pukto	Chechon	5,000
	Mukko	<u>7,000</u>
		12,000

a/ 1 suk equals 5.12 bushels

All rice being transported to Chechon, Chung Chong Pukto, is for transshipment to Kang Won Do. If unhulled rice is shipped in lieu of polished rice, four bags of unhulled rice will be deemed the equivalent of one suk of polished rice.

Press and Public Opinion

20. The trend of press comment and public opinion was favorable but several specific items were the subject of criticism. Ordinance No. 52, establishing the New Korea Company Limited, drew unfavorable comment. Some writers expressed the opinion that exploitation by American interests exists. Criticism of Ordinance 55, requiring registration of political parties, continued with the theme that enforced registration and revealing of membership lists and contributions was a curb on freedom of political action.

Many articles expressed confidence and hope for the outcome of the United States-Soviet Joint Commission meetings which opened on 20 March. Trusteeship, the 38th parallel boundary, and the price ceiling of ¥ 38 per small marl (2.38 gallons) on rice all came in for their share of comment. The phrase that "38 is Korea's doubly unlucky number" was circulated.

A stern warning was issued to the press, publishers and public speakers that freedom of speech as advocated by the Military Government in Korea does not confer the right to make false pronouncements that might jeopardize the public peace. It was pointed out that such statements constitute a violation of Proclamation No. 2 and will be severely punished.

POLITICAL PARTIES AND PERSONALITIES

21. In compliance with Ordinance No. 55, 134 parties have registered.

Party Changes

22. The Yanan Independence Alliance, formed in China by the Korean Volunteer Army, changed its name to the Korean New Democratic Party but no change in organization or structure was made.

Political Personalities

23. The attempt by Dr. Syngman Rhee to resign as chairman of the Representative Democratic Council on the ground of ill health caused much comment. Members of the Council voted not to accept the resignation and Dr. Rhee was granted a leave of absence for an indefinite period. His position as chairman was assumed pro tem by Vice-Chairman Kim Kyuh Sik.

Party Unification

24. Little progress was made during March toward unification of political groups although the Democratic People's Front held several meetings in an attempt to consolidate further. The time is not ripe for immediate decisive action along this line for two reasons. First, the realization that the people are facing actual hunger is diverting their thoughts from governmental matters to concern over personal welfare; second, United States-Soviet Joint Commission meetings now in session are the object of a great deal of attention and speculation.

Meetings and Demonstrations

25. The population of South Korea turned out en masse for the first legal celebration of Independence Day, 1 March 1946, better known as Sam Il Day. Reports from all provinces indicated orderly celebrations at all points. The formal ceremonies in Seoul were sponsored by the Korean Representative Democratic Council and featured addresses by General Hodge, General Lerch, Dr. Rhee and Kim Koo.

The leftists organized their own celebration giving the reason that it would be a non-political ceremony which would indicate unity of the Korean people. Attendance was small and neither the leader of the Communist Party nor the head of the People's Party was present. Estimated attendance at various rightist ceremonies in Seoul was over 100,000 compared with an estimated 15,000 at the leftist meeting.

INTERZONE ACTIVITIES

United States-Soviet Joint Commission

26. Three meetings of the Commission were held in March, the first on 20 March after a postponement of one week due to illness of the chief Russian delegate, Col. Gen. Shtikov. Formal ceremonies marked the opening at Duk Soo Palace with United States Army and

Korean police honor guards and a large crowd of Korean people to greet the delegates.

FOREIGN AFFAIRS

Repatriation Status

27. All repatriation from Japan to South Korea of Koreans destined for North Korea was suspended indefinitely. This action was taken to relieve transportation and housing problems and to avoid depletion of limited stocks of food and clothing.

Repatriation of Japanese has been speeded up and of an estimated 5,000 in Korea at the beginning of March there are now less than 1,200 remaining. To implement the order that unessential Japanese nationals be returned to their home country, all departments of the Military Government have been directed to report each Japanese considered essential by them. These reports will be made not later than 1 April. They will be screened and approved or rejected by Headquarters. USAMGIK.

28. The following is the status of Koreans repatriated through 25 March 1946:

<u>From</u>	<u>March Total</u>	<u>Total to Date</u>
Japan	24,259	831,387
Other areas	5,315	30,858

Personal Property

29. The amount of personal baggage which repatriated Koreans may take from Japan was increased to 250 pounds per person effective 1 April. Formerly such baggage was limited to what each individual could carry. There was no change in items considered contraband or in the amount of yen currency.

Repatriation Teams

30. Two Military Government officers and several Koreans have been assigned as repatriation teams at Hakata in northwest Kyushu and Senzaki in southwest Honshu to assist in the repatriation of Korean nationals.

Chinese Affairs

31. Registration of Chinese in Seoul was completed and licensing of Chinese places of business began. There are approximately 200 Chinese nationals in Seoul and 300 at Inchon. Those to be repatriated will be concentrated in Seoul during April for return to their homeland.

SECTION 3

ECONOMIC ACTIVITIES

C O N T E N T S

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AGRICULTURE, FORESTRY AND FISHERIES

1. The rice seizure program was the principal target for criticism by both the people and the press. Changes in the collection plan and abolition or suspension of the ceiling price of ₩ 38 per small marl (2.38 gallons) were the major steps favored, although no alternatives were advanced that would meet the problem of feeding hungry city dwellers and satisfying the farmers.

2. The Military Government remained adamant and announced a rationing policy for Seoul. The statement emphasized that the American Military Government favors frank discussion of matters affecting the public welfare but warned that seizure would continue and rationing would begin.

Warning was also given that if stocks were not built up to the extent necessary even the established ration of 2.0 hop (.095 gallon) per person per day would not be distributed.

3. The effective date of rationing will be announced through the press and radio. Chung leaders will be responsible for proper distribution of the rice ration within their areas.

Provincial governors will meet at the national capital 1-3 April to report further on rice seizure and establish a plan for price control and rationing. Total stocks of seized rice in Seoul were 7,123 tons on 28 March.

Fertilizer

4. Fertilizer to meet the season's planting needs remained scarce although some phosphate rock is obtainable from the Ryukyus and pulverizing facilities are available. The import of nitrogenous fertilizer from Japan is not considered feasible.

Sericulture

5. Silkworm eggs were shipped from the experimental station at Suwon to storage stations in the provinces. From these points the eggs will be distributed to silkworm raisers. Sericultural experts were dispatched to the provinces with each shipment of eggs.

Other Crops

6. Planting of poppy seeds was forbidden and farmers were urged to plant grains, particularly millet, in their stead. The restricting order affects 34,000 licensed poppy growers and will curb the

narcotic trade and augment foodstuff production in Korea. See chart, page 13.

7. At a recent cotton congress in Seoul it was agreed that unless planting of cotton and hemp was encouraged there would be a decline in these low-profit crops.

Forestry Controls

8. The provisions of Custody Order No. 4, which gave the Bureau of Agriculture immediate control over many formerly Japanese-owned forest lands, expanded the responsibilities of the Forestry Department and increased its facilities to control timber preservation, production and distribution.

Lumber Production and Reforestation

9. Analysis of lumber production requirements and annual growth of forests south of the 38th parallel indicates beyond question that minimum timber requirements for South Korea cannot be met from available resources. Annual requirements in koku (10 cubic feet) are:

Logs	2,930,000
Charcoal	2,126,000
Firewood	<u>10,280,000</u>
Total	15,336,000

Forests in South Korea can now produce only 7,000,000 koku of timber per year and due primarily to lack of transportation, the timber industry is working at about 10 percent of capacity.

Plans for "Emancipation Planting Week" to start 1 April include the planting of 90,000,000 seedlings throughout South Korea.

Wood By-Products

10. The Tonga Pine Oil Factory, with a production capacity of 1,000 gallons of pine oil, was opened for experimental purposes. The plant has facilities for producing synthetic gasoline, turpentine, diesel oil and pitch.

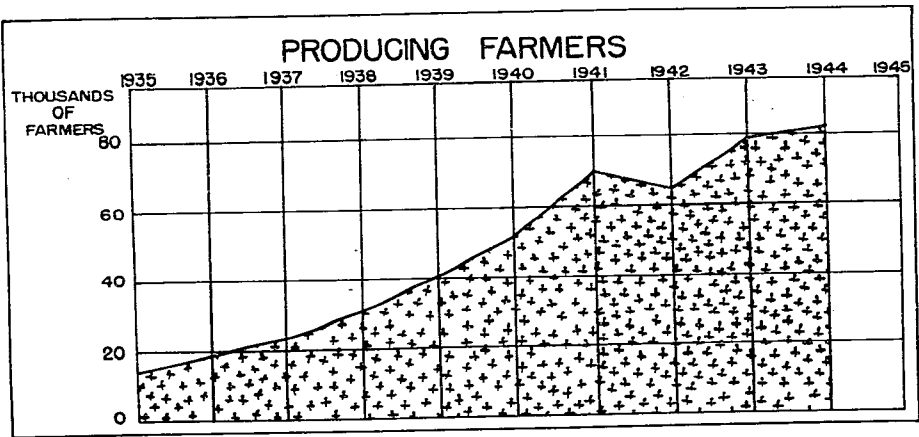
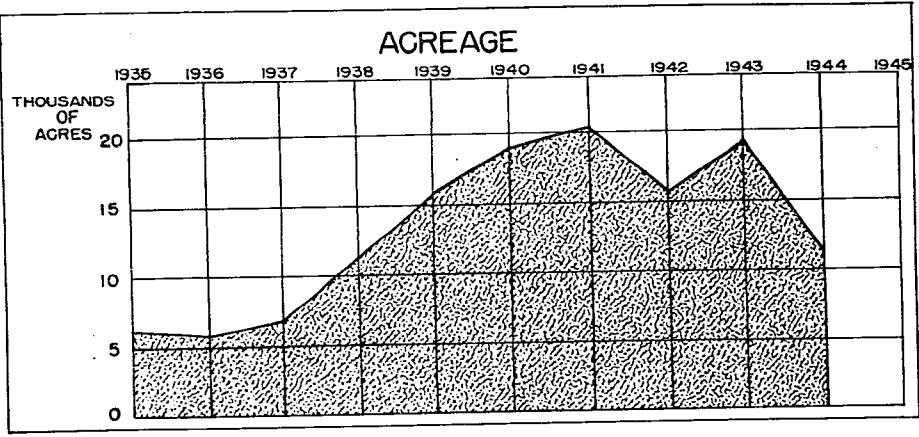
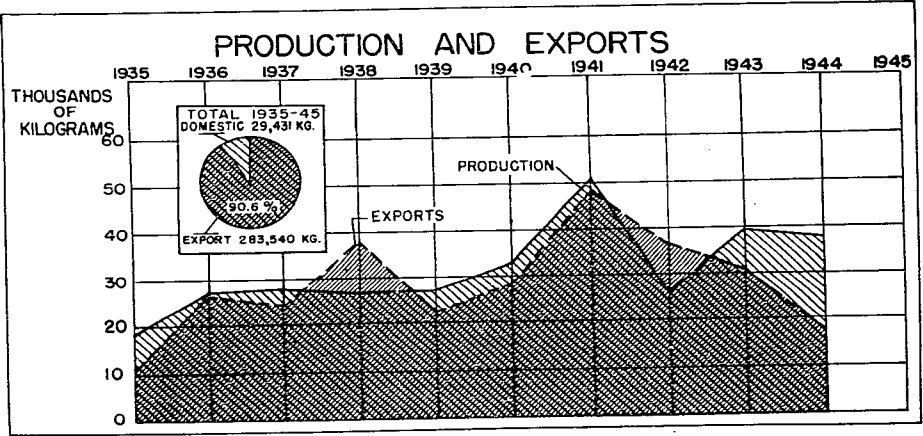
Fisheries

11. Forty former Japanese craft were recovered in the course of registration of fishing craft, now 85 percent complete. A fleet of approximately 1,000 boats is fully equipped and waiting for the fishing season to open early in April. Fishing permits have been issued and the leasing of fishing grounds started.

Procurement of engine oil is under way with shipment of 650 drums from Chung Chong Pukto to Pohang and 2,200 additional drums of oil will be distributed from Anyang-ni for use by fishing vessels.

COMMERCE AND FINANCE

12. SCAP directives to the Japanese Government in March called for export to Korea of over 3,000 tons of industrial chemicals which are needed before Korean industry can resume operations. The list, consisting of 38 items, included refractory clay, sulfuric and nitric acids, calcium carbonate, commercial chlorine and industrial alcohol.



SOURCE: KOREA MONOPOLY BUREAU MEDICINAL DRUG FACTORY

OPIUM INDUSTRY

KOREA-1935-1944

MARCH 46

GHQ-SCAP

NUMBER 1

13. The Japanese Government was directed by SCAP to ship to Korea eight tons of liquid chlorine and 320 tons of aluminum ammonium sulfate for use in water purification plants.

14. The export of 1,312 tons of taro from Korea to Japan was authorized.

Currency Control

15. Instructions to Banks No. 6 specified that withdrawals could be made from former Japanese-owned bank accounts which are now vested in the Military Government. Japanese nationals having permission to return to Japan may draw ₩ 1,000 for each person in the household and Japanese heads of households remaining in Korea may withdraw ₩ 500 a week as living expenses for each adult dependent.

16. The exchange of Japanese for Chosen currency at Japanese Government repatriation centers was expedited. Bank of Chosen notes were provided by the Commanding General, USAMGIK, and the Japanese Government was directed by SCAP to exchange up to ₩ 1,000 per person for repatriates returning to Korea.

All money in excess of ₩ 1,000 will be taken up by processing unit commanders and together with all receipts and records, will be turned over to the Military Governor of Korea. Japanese yen which are exchanged for Bank of Chosen currency are to be deposited in the Bank of Japan to the credit of the Military Government of Korea.

Fiscal Policies

17. Methods, including financial aid, by which the United States can assist Korea in developing a strong and independent economy are being considered. It was announced as the policy of the United States that such aid as may be given Korea's economic development will be on terms and under conditions agreed to by the Korean Provisional Government.

Banking and Taxation

18. The right of Korean banks and other financial institutions to collect interest due them for loans, bills, or overdrafts of former Japanese-owned organizations and nationals was recognized under an order dated 6 March. All Military Government or Korean authorities having custody or management of former Japanese-owned properties under Vesting Ordinance No. 33 were empowered either to enter such interest liabilities as a charge upon the books of these companies or to make a cash settlement.

19. The general banking situation is encouraging and shows a material increase in bank deposits during the past six months. It is estimated that about ₩ 4,500,000,000 is outstanding in South Korea.

Rationing and Price Control

20. Steps were taken on 5 March to establish control over the following critical commodities: cotton cloth, all types; silk, rayon and mixed cloth, all types; shoes, all types and kinds; socks, cotton, wool and mixed; matches; soap; paper and paper products; and farm tools and implements.

Provincial governors will inventory all controlled items on hand in Military Government warehouses or factories and determine

the amount and production cost of each item. They will make estimates of requirements within their provinces. This information will be furnished the Bureau of Commerce, which will establish a national commercial agent who will coordinate information regarding stocks on hand and future availabilities and will contract, buy, sell, transport and distribute among the provinces.

After controlled commodities have been delivered to any province, the provincial governor will be responsible for safeguarding and distributing them to private retail channels. In fact he is responsible for commodities until they reach the consumer.

21. The Military Governor will establish the price at which the national commercial agent will sell to the provincial governor. Each provincial governor will then establish the retail price, taking into consideration such additional costs as transportation within the province, loss from spoilage or theft and retailer's profit.

22. Rationing of rice, the most critical commodity in Korea, will not begin until sufficient stocks are accumulated in urban centers to insure that needs can be met. Plans have been made so that when stockpiles become adequate a comprehensive rationing plan will be started on very short notice.

MINING AND INDUSTRY

23. Shortages of transportation, coal and raw materials, chief deterrents to Korean manufacture, were eased in varying degrees during March. Raw material and tool scarcities forced some industries to suspend operations temporarily but new plants were opened so that expansion of industry in South Korea progressed.

24. Manufacture of farm tools and equipment increased and arrangements were completed for production of a six-month supply of cutting tools for Korean flour mills. Production plans for dry cell batteries were set back when the main plant of the Mitsushida Electric Company at Seoul was destroyed by fire.

25. The largest spinning mill in Korea, damaged during the riots of 15 August 1945, reopened and is operating at 25 percent capacity. The mill has 11,000 hemp spindles, 13,000 cotton spindles and 520 looms. The Mitsuyo Woolen Company, the only woolen manufacturing plant in South Korea, has 33 looms in operation. Production of civilian clothing was assisted by the release to manufacturers of quantities of clothing from Japanese Army supplies.

Home industry was called on to assist in textile manufacture and raw mohair was distributed to home spinning industries for the production of yarn.

26. Following is a list of new plants opened in South Korea since 1 March:

<u>Name</u>	<u>Location</u>	<u>Product</u>	<u>Number of Employees</u>
Korea Sakura Joint Stock Co.	Fusan	crayon	21
Kyungnam Textile Industrial Co.	Samchunpo, Sachun Gun, Kyong Sang Mando	cotton cloth	7
Asahi Silk Textile Co.	Fusan	silk	370

<u>Name</u>	<u>Location</u>	<u>Product</u>	<u>Number of Employees</u>
Korea Net Mfg. Co.	Tong Yung Up, Tong Yung Gun, Kyong Sang Namdo	fishing net	85
Sam Nim Industrial Co., Ltd.	Fusan	cotton thread	70
Tong-A Spinning Co.	San Chung Myun, San Chung Gun, Kyong Sang Namdo	silk cloth	42
Osaki Casting Works	Fusan	farming tools	25
Pang-U-Jin Iron Works and Shipbuilding Co., Ltd.	Pang-U-Jin Up, Ool San Gun, Kyong Sang Namdo	shipbuilding and repair	230
Tesum Brewing Co., Ltd.	Fusan	synthetic wine, alcohol	60
Chosen Wooden Stationary Mfg. Co.	Fusan	abacus	6
Inchon Casting Factory	Inchon	farming tools	35
Pal-Kok Airplane Co., Ltd.	Taegu	milling machinery	150
Wan-Il Rice Cleaning Mill	Inchon	rice cleaning	55
Sam Hwa Wood Works	Inchon	shovel handles	17
Nansun Towel Industrial Co.	Taegu	towels	50
Taegu Silk Mill	Taegu	silk	50
Kyung-Book United Factory	Taegu	silk and cotton cloth	35

Public Works

27. Subsidies totaling ₩ 2,800,000 were approved for national road repair and river improvement, while in Seoul alone a further subsidy of ₩ 355,000 was granted for public works projects. In Kyunggi Province sealed bids were accepted on 23 March for the following improvements: two bridges in Chang Don District, two drain pipe culverts in Chang Don District, one drain pipe culvert in Kaipung and one ferry approach road in Pa Choo.

Coal Production

28. Supplies of both domestic and Japanese coal increased, enabling railways to expand their operations which in turn assisted industrial development. Coal imported from Japan totaled 66,000 tons. The quality has improved and in order to maintain a high standard arrangements were made for inspection at shipping points in Japan.

COMMUNICATIONS AND TRANSPORTATION

29. Substantial quantities of telephone, telegraph and radio repair parts ordered from the Japanese Government are scheduled for delivery in April. This equipment will be used to rehabilitate communication services.

The San Francisco radio telephone circuit, opened in February, is operated by Korean girls, 25 of whom are being trained as supervisors.

30. Eight Korean weather observers began work at Kimpo airfield during March and a new class entered training.

31. Limited exchanges of first class mail were made between the United States and Russian commands at the 38th parallel on 15 and 29 March.

32. A shipment of 3,700 pounds of new issue postage stamps printed in Japan was received and will be placed in distribution 1 May.

Railroads

33. Increased coal supplies enabled the Korean railways to resume operation at full capacity but they are handicapped by old and worn out rolling stock. One electric and three steam locomotives, a quantity of boiler tubes, locomotive tires and axles, two inspection cars and five small gasoline locomotives were ordered from Japanese manufacturers for delivery in April.

Shipping

34. The Marine Division, Bureau of Transportation, has registered 1,189 Korean vessels representing a total of 69,000 tons of licensed shipping. Only eight vessels registered over 1,000 tons, while more than 1,000 are under 150 tons displacement.

Five Baltic type vessels are in operation and arrangements have been made for 10 more to be sent to Korea for coastwise shipping. Twelve LST's are now assigned on a rotation basis to help offset the over-all shipping shortage.

35. Koreans are being trained as port superintendents and cargo handlers in anticipation of increased incoming tonnages. Berthing facilities at Fusan will accommodate 15 Liberty ships. Unloading facilities there can handle 15,000 ship tons per day while wharf storage is available for 150,000 ship tons.

SECTION 4
SOCIAL ACTIVITIES

C O N T E N T S

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EDUCATION, CULTURE AND RELIGION

1. The National Committee on Educational Planning is largely responsible for the educational program followed in Korea. This group of 70 Korean educators and public leaders worked with one United States Army officer from each section of the Bureau of Education. Each of the Committee's 10 subsections developed long term plans and recommendations which were welded into a comprehensive program covering all branches of Korean education. This was predicated upon a balance between native cultural aims and modern American educational influences.

2. In Chonju, Cholla Pukto, a scholarship fund was donated by officers and enlisted men of Sixth Infantry Division Headquarters. From its proceeds six outstanding scholars whose homes are distant from school were awarded a total of ₩ 4,500 to offset living expenses.

Educational Controls

3. Public safety officers and chiefs of police were authorized to close any private school operating without a license from the Bureau of Education and to confiscate all textbooks and rosters of teachers and students.

Directives forbidding school participation in political demonstrations and dissemination of political propaganda were issued to provincial education offices. It was made clear that the prohibition did not prevent study of political sciences.

Special Schools

4. A course in adult training aimed at developing leaders in Korean social and cultural life will open 1 April with specially selected representatives from all provinces attending. Courses include Korean language, civics, teaching methods and home improvement.

5. The Bureau of Education in collaboration with the Bureau of Police inaugurated a program of traffic safety education in the public schools.

Education in Democracy

6. A long range educational program in basic principles of democratic government and life was instituted. Dissemination of material is carried on through newspapers, pamphlets, radio and lectures. Traveling speakers will carry the program of education to rural populations.

Cultural Activities

7. A series of school symphony concerts was enthusiastically received with 10,000 pupils attending the first performance. Further concerts by the Korean Symphony Orchestra also received popular approval.

PUBLIC HEALTH AND WELFARE

Contagious Disease Control

8. The incidence of smallpox in cities throughout South Korea was high and combative measures were energetically applied. Over 8,000,000 units of smallpox vaccine have been produced since the establishment of the Military Government and universal inoculation is rapidly becoming a reality.

The first large shipment of 800 bottles of domestically produced typhoid vaccine was shipped to the provinces. Production continues at the rate of 350,000 cubic centimeters a month.

9. In Seoul typhus inoculation of 85,000 children in 74 public schools was completed and 32,882 have already received DDT powder treatment. In addition an average of 19,000 people a week are being dusted with DDT powder. Refugee centers, public assembly points and public vehicles are periodically sprayed.

10. From 24 to 30 March, designated National Clean-up Week, an intensive trash collection program was started. A fleet of dump wagons placed at strategic points throughout Seoul haul refuse to city dumps daily.

Medical Facilities and Personnel

11. Three hundred sixty Civil Affairs Division medical units have arrived at Inchon and distribution through controlled channels is under way. Each unit contains enough medical supplies to care for 100,000 people for 30 days. Further tangible evidence of American good will was demonstrated with the receipt of 100 bottles of blood plasma assigned to the Seoul Department of Public Health for treatment of shock cases.

12. Construction of the national tuberculosis sanatorium is practically completed. The institution will have a 300-bed capacity and will be the first of its type built under Military Government. Plans for additional sanatoria are incorporated in the program of the Bureau of Public Health and Welfare in an effort to control one of the more prevalent communicable diseases in Korea.

Twelve government life insurance hospitals have been reopened. A dispensary for the treatment of Korean civil service employees of the National Government was opened under Korean medical supervision in the capital.

13. The first 35 Korean women trained as public health nurses are already at work in the provinces as assistants to American and Korean doctors. A second group is in training at Seoul University Hospital. The course consists of both theory and practical work at city health clinics, settlement houses, medical clinics and repatriation centers where they are given instructions in inoculation and DDT dusting of repatriates.

Nutrition

14. Plans for a school lunch program were completed by the Public Health Department and will be activated as soon as financial details are arranged. In cooperation with the Chosen Flour Milling Company a soybean milk powder has been developed as a substitute for whole milk.

Dental Affairs

15. Control of dental practice in South Korea was instituted on 15 March by an order requiring all dentists and dental appliance manufacturers to register with the Bureau of Public Health and Welfare. Upon qualification, licenses to practice will be issued. The Board of Dental Licensure and Registration composed of seven Koreans was formed.

Letters were sent to provincial health officers directing that plans be initiated to form provincial dental associations so that problems relating to the profession may be correlated and submitted to the Dental Affairs Section of the Bureau of Health and Welfare.

Drug Manufacture and Distribution

16. Scientists at the National Chemistry Laboratory have successfully developed a synthesis of amytal.

17. In the field of drug legislation, translation of the Korean pharmacy laws into English was completed and a new price list of all Korean drugs was compiled and approved by the Association of Manufacturers, Retailers and Wholesalers.

Veterinary Affairs

18. Two Military Government veterinary officers will supervise inoculation of 110,000 cattle as a safeguard against rinderpest. The area to be covered extends across the Korean peninsula immediately south of the 38th parallel.

19. A rising incidence of fowlpest is being brought under control by immunization of poultry flocks. The vaccine was prepared in the Pusan Laboratory.

Social Institutions and Agencies

20. The national reformatory at Mokpo was made ready to receive boys of 14 years and under who have exhibited delinquent tendencies.

21. The assistance of public spirited Korean men and women was enlisted in the creation of Boy Scout and Girl Scout organizations. The original Boy Scout organization in South Korea was disbanded early in 1946 when it was found to be more a private army than a youth-building organization. Complete reorganization has been effected, governing committees appointed and constitutions adopted for both branches of scouting.

Emergency Relief

22. Food and clothing for relief are being made available to indigent and low income groups. General relief supplies totaling 250 long tons collected through the Honolulu Council of Churches were shipped from Hawaii on 7 March.

0024

Several million pounds of surplus United States Army rations are easing food shortages in hospitals, orphanages and similar institutions throughout South Korea. They will also be made available to refugees, indigent families and displaced persons. Limited amounts will be sold under provincial government supervision.

A food distribution schedule was established for persons obtaining individual emergency relief in Seoul. Included in the foods to be distributed are barley, flour, bread, canned cabbage, salt, sugar and navy beans.

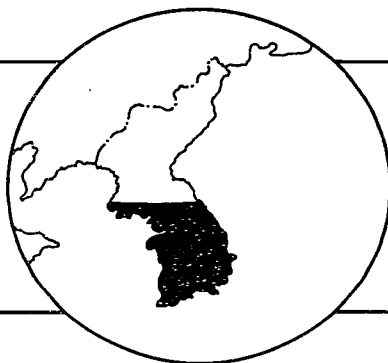
23. To augment the supply of clothing available to persons with low income, quantities of Japanese apparel are being sold under the auspices of the city of Seoul. Each individual may purchase up to ₩ 300 in merchandise from licensed retail outlets.

PUBLIC INFORMATION

24. All avenues of dissemination were working at full capacity on many phases of Military Government operation. Proclamations and informative talks by the staff of the Military Government received major attention.

朝鮮占領報告

Commander - in - Chief
United States Army Forces, Pacific



SUMMATION

of

UNITED STATES ARMY
MILITARY GOVERNMENT

ACTIVITIES

in

KOREA

No 7

April

1946

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**GENERAL HEADQUARTERS
COMMANDER - IN - CHIEF
UNITED STATES ARMY FORCES, PACIFIC**

**SUMMATION NO 7
UNITED STATES ARMY
MILITARY GOVERNMENT
ACTIVITIES
IN
KOREA**

**FOR THE MONTH OF
APRIL 1946**

0027

EIGHTH U. S. ARMY PRINTING PLANT
(BOOKUDD)

COMMANDER IN CHIEF
UNITED STATES ARMY FORCES, PACIFIC

SUMMATION
of
UNITED STATES ARMY
MILITARY GOVERNMENT
ACTIVITIES
in
KOREA

Number 7

April 1946

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SECTION 1

GENERAL

C O N T E N T S

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ADMINISTRATION AND POLITICAL ACTIVITIES

1. A complete change in nomenclature of the principal elements of the government was made by Ordinance No. 64. All Bureaus were renamed Departments, Sections were redesignated Offices and officials in charge were titled Directors.

2. Several major changes were made in Military Government organization to use military personnel more efficiently and extend greater responsibility to Koreans.

3. The Office of General Affairs was abolished. Its Legal Division was transferred to the Department of Justice and its Administrative Division to the Office of Administration. The Office of Accounts was renamed the Office of Administration, and the Division of Accounts of that Office was renamed the Bureau of Accounts and transferred to the Finance Department.

4. The Police Bureau was removed from the National Defense Department and made a separate Department. Control of fire departments was taken from the Police Department and provision was made for the formation of independent fire departments under local administration. Creation of a National Board of Fire Commissioners within the Public Works Bureau of the Department of Commerce and a Board of Fire Commissioners in each province was authorized.

5. The Provincial Affairs Office was dissolved and its activities taken over by the departments or offices on a functional basis. Responsibility of provincial governors for supervision of internal affairs and liaison with the National Government was broadened.

6. Duties and functions of the Office of Korean Civil Service were defined and civil service rules and regulations were provided for in Ordinance No. 69.

Departmental Activities

7. All Japanese have now been removed from the civil service of South Korea.

8. A budget for South Korea totaling ₩ 11,800,212,000 was approved for 1946-47. With income estimated at ₩ 8,013,394,000 a budget deficit of ₩ 3,786,818,000 is anticipated.

9. The first case of espionage against the Military Government was tried in Korean courts. The defendant was convicted, fined ₩ 3,100,000 and sentenced to five years at hard labor.

10. Strength of the Korean Constabulary was increased and enlistments averaged 200 daily. Plans call for one constabulary

battalion of 1,000 men in each province.

11. A new rotational training plan was instituted for the Korean Coast Guard under which coast guardsmen will receive practical experience at Incheon where they will replace crews on lighterage facilities of the Korean Base Command.

12. Superior detective work by Korean police in collaboration with military police resulted in apprehension and conviction of seven men charged with 72 crimes. Disorders and major crimes during April were few.

Right-hand driving regulations went into effect 1 April with a minimum of confusion.

13. A check of the files of the Oriental Development Company, predecessor of the New Korea Company, Ltd., disclosed holdings in 82 subsidiary organizations.

Press and Public Opinion

14. Temporary abatement of the food crisis in Seoul lessened criticism of the rice collection plan but the real crisis is not expected to pass until the end of May. There was a generally pessimistic attitude toward the outcome of the U.S.-Soviet Joint Commission meetings but little doubt that independence would ultimately be realized.

Political Parties

15. The political situation was quiet due, it is believed, to public apathy on matters not concerning their own immediate food problems and the fact that political groups are on their best behavior pending the outcome of the U.S.-Soviet Commission meetings.

16. The Nationalist and Independence Parties amalgamated and Kim Koo was made president of the unnamed new group. Dr. Syngman Rhee returned to his post as chairman of the Representative Democratic Council.

Interrone Activities

17. The fifth and sixth joint communiques of the U.S.-Soviet Commission were issued on 17 and 20 April respectively. They reported a decision had been reached to consult with democratic parties and social organizations in the formation of a future Provisional Korean Democratic Government provided that such groups first sign a statement to the effect that they uphold the aims of the Moscow decision on Korea.

18. The Yellow Sea route is now being used to transport supplies from South Korea to the American-occupied peninsula of Kwanghae Do.

19. The third exchange of mail between North and South Korea was made on 12 April. Four tons of chlorine were received from North Korea.

Repatriation

20. March registrations indicated 504,199 Koreans in Japan who desire repatriation to South Korea. All must be cleared from Japan by 30 August. Koreans repatriated from Japan and other areas from 1-28 April numbered 44,590 and 3,616 respectively, bringing the totals on 28 April to 875,113 and 43,183.

ECONOMIC ACTIVITIES

Agriculture, Forestry and Fisheries

21. During April the people of Seoul were permitted to buy rice on the open market but to do so they forfeited privileges of rations from government rice stocks. Farmers generally had sufficient seed rice and preparations for planting were under way.

22. Land reclamation contracts amounting to ₩ 21,000,000 were awarded to reclaim more than 8,000 acres as part of a master plan which contemplates the expenditure of ₩ 100,000,000 in five provinces. Fertilizer is critically needed, no imports were received during the month and lack of raw materials and equipment prevented plants from producing at normal rates.

23. Three billion silkworm eggs were distributed to provincial agriculture associations and egg-breeding research was resumed at the Suwon Experimental Station.

24. Large-scale planting of seedlings took place during Emancipation Planting Week and further plantings were arranged to reach the goal of 90,000,000.

25. The fishing season began with 50,000 vessels engaged. The estimated catch off the west coast for the season 1 May to 1 August is 40,000 tons, principally sunfish and mackerel, most of which will be available for export. The industry is handicapped by acute shortages of nets, rope, twine, transportation and refrigeration facilities.

Commerce and Finance

26. Critical items received from Japan, including mulberry seedlings, boiler tubes, salt, chlorine, alum, ammonia, cigarette paper, coal, coal tar pitch and bank note paper, stimulated industry and agriculture. Quantities of fish were available for shipment to Japan. Exchange of Japanese currency for Bank of Chosen notes for repatriates leaving Japan was placed in effect on 15 April.

27. A National Food Administrator was appointed to control the procurement, allocation, distribution and rationing of critical foodstuffs. Ceiling prices for foods will be placed in effect in coordination with the National Economic Board.

28. Prices remained high but the price of rice in Seoul dropped from ₩ 450 per small narl (16.5 pounds) to between ₩ 200 and ₩ 225 following the legalization of its purchase on the open market.

The scarcity and high cost of food caused unrest among employees and demands for partial payment in rice coupled with political grievances were the basis for several strikes, notably that of the printers in late March which forced three Seoul newspapers to suspend publication.

Mining and Industry

29. Fifteen industries producing a wide variety of commodities and employing more than 3,300 persons opened. The necessity for greater production of food products was emphasized. A stockpile of 144,000 pounds of noodles was established in Seoul and is being rationed through the Provincial Food Services.

30. The quality and quantity of bituminous coal shipped from Japan improved. During April 83,247 metric tons were received. Coal is being stockpiled in Seoul to prevent a recurrence of last winter's severe shortage.

31. A study of South Korea's communications system disclosed that under the Japanese the only manufacturing of communications equipment, with few exceptions, consisted of assembly of complete units from parts shipped from Japan. No communications equipment is being manufactured now except small quantities of wire but Korea has all the necessary raw materials although they are not available at present nor are plants equipped for production.

The Korean police have established a radio network between all provinces.

32. New Korean postage stamps will go into use on 1 May and future issues will be produced entirely by domestic facilities.

33. Railroad service improved and trains ran more nearly on time. Cargo and passenger loads increased but rolling stock and trackage are in poor repair, nearly half of the locomotives being obsolete. Possibilities for new locomotive production were slight. Present government-owned trackage will be increased by 25 percent on 1 May by acquisition of four privately owned lines.

34. Three Baltic-type vessels, five former Chosen Mail Steamship Company ships and 13 LST's comprise the coastwise shipping fleet operating in South Korea. An air courier service using U.S. Army planes and pilots began operating on 22 April.

SOCIAL ACTIVITIES

Education

35. School attendance at all levels in South Korea was at an all-time high but lack of teachers and facilities handicapped education. Temporary training schools were arranged which will accommodate 2,000 secondary school teachers. The Japanese census of 1944 showed that 45 percent of the population of South Korea was illiterate, more than half being between the ages of 18 and 45.

36. A drastic revision of Korean education embodying compulsory attendance is planned to go into effect in September. Additional secondary schooling will be offered. Re-establishment of the old Korean alphabet is under way and textbooks will use horizontal printing of characters reading from left to right.

37. The institute for training Korean leaders in adult education opened in Seoul on 5 April. The first of a series of documentary films depicting governmental activities was completed.

Public Health and Welfare

38. Smallpox and typhus were the principal communicable diseases but intensified vaccination and DDT dusting have brought them under control. Reporting of cases greatly improved and indicated a sharp decline of typhus incidence in Seoul compared with 1945. Typhoid increased in Chung Chong Namdo. Water supply systems are being rehabilitated.

39. All incoming vessels from China were placed under a strict cholera control program. Distribution was made to the provinces of 18,000 bottles of American sulfathiazole and sulfadiazine. Five medical clinics are now operating in Seoul with Korean staffs.

40. More than 2,000 refugees entered the newly consolidated Seoul Refugee Camp during the first week of its operation. This was over four times the average weekly intake at all of the individual refugee centers formerly operated. A recent survey showed there are now 68 orphanages and homes for the aged in operation. Their capacity is

5,300 persons. Present occupants number 3,300 of whom 1,900 are children.

41. An extensive social survey of 3,000 families in South Korea was begun. It will include a study of farm and community life and an evaluation of welfare work.

SECTION 2
POLITICAL ACTIVITIES

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ADMINISTRATION

1. Several major changes in organization of Military Government at the national level took place during April. Their purpose was to employ rapidly dwindling military personnel more efficiently and extend greater administrative responsibility to Korean employees in the Government.

2. A complete change in nomenclature of the principal elements of the Government was made by Ordinance No. 64 effective 29 March but no revision of existing powers or functions was involved. All Bureaus were renamed Departments, Sections were redesignated Offices, and officials in charge of Departments and Offices titled Directors. See chart, page 9.

3. The Office of General Affairs was abolished by Ordinance No. 67 effective 2 April. Its Legal Division was transferred to the Department of Justice and its Administrative Division to the Office of Administration. All legal functions are now consolidated at the national level under one head, the Director of the Department of Justice.

Under the same ordinance the name of the Office of Accounts was changed to the Office of Administration, and the Division of Accounts of that Office was renamed the Bureau of Accounts and transferred to the Finance Department.

4. The Police Bureau was divorced from supervision by the National Defense Department and established as a separate Police Department by Ordinance No. 63 effective 8 April. Its functions remain unchanged. Organization, direction and supply of the Korean Constabulary and Korean Coast Guard remain responsibilities of the National Defense Department.

5. Operation and control of fire departments throughout South Korea by the Department of Police was discontinued under Ordinance No. 66 effective 20 April and provision was made for the formation of independent fire departments under the administration and control of cities, towns and villages.

Creation of a National Board of Fire Commissioners within the Public Works Bureau of the Department of Commerce and of a Board of Fire Commissioners within each province was authorized.

These boards, with technical assistants and staffs, will handle the broader planning, policy and budget responsibilities necessary to a well-rounded fire control program.

6. The Provincial Affairs Office was dissolved to further decentralize provincial controls and conserve officer personnel. Functions that were directly connected with education, finance, civil service, justice and property custody were assumed by those Departments or Offices. The responsibility of provincial governors for supervision of internal affairs and agencies and for liaison with the National Government was broadened extensively by the change.

7. Duties and functions of the Office of Korean Civil Service were defined and civil service rules and regulations were provided for in Ordinance No. 69 effective 30 April.

DEPARTMENTAL ACTIVITIES

Korean Civil Service

8. There were 70,000 Japanese in the civil service of South Korea in September 1945. All have now been removed. Under the policy of decentralization one civil service officer was placed on duty in each province and the classification and allocation of positions was made a responsibility of the provincial governors. It is planned to bring government employees at all levels in South Korea into the Korean Civil Service. See chart, page 11.

Budget

9. A budget for South Korea totaling ₩ 11,800,212,000 was approved for 1946-47. With income estimated at ₩ 8,013,394,000 a budget deficit of ₩ 3,786,818,000 is anticipated.

The estimated deficit was described by the Finance Department as a temporary condition caused by damage and neglect to property and the deterioration of the economy because of the war. These conditions created a huge backlog of necessary reconstruction the cost of which should be spread over several years.

Legal and Judicial Affairs

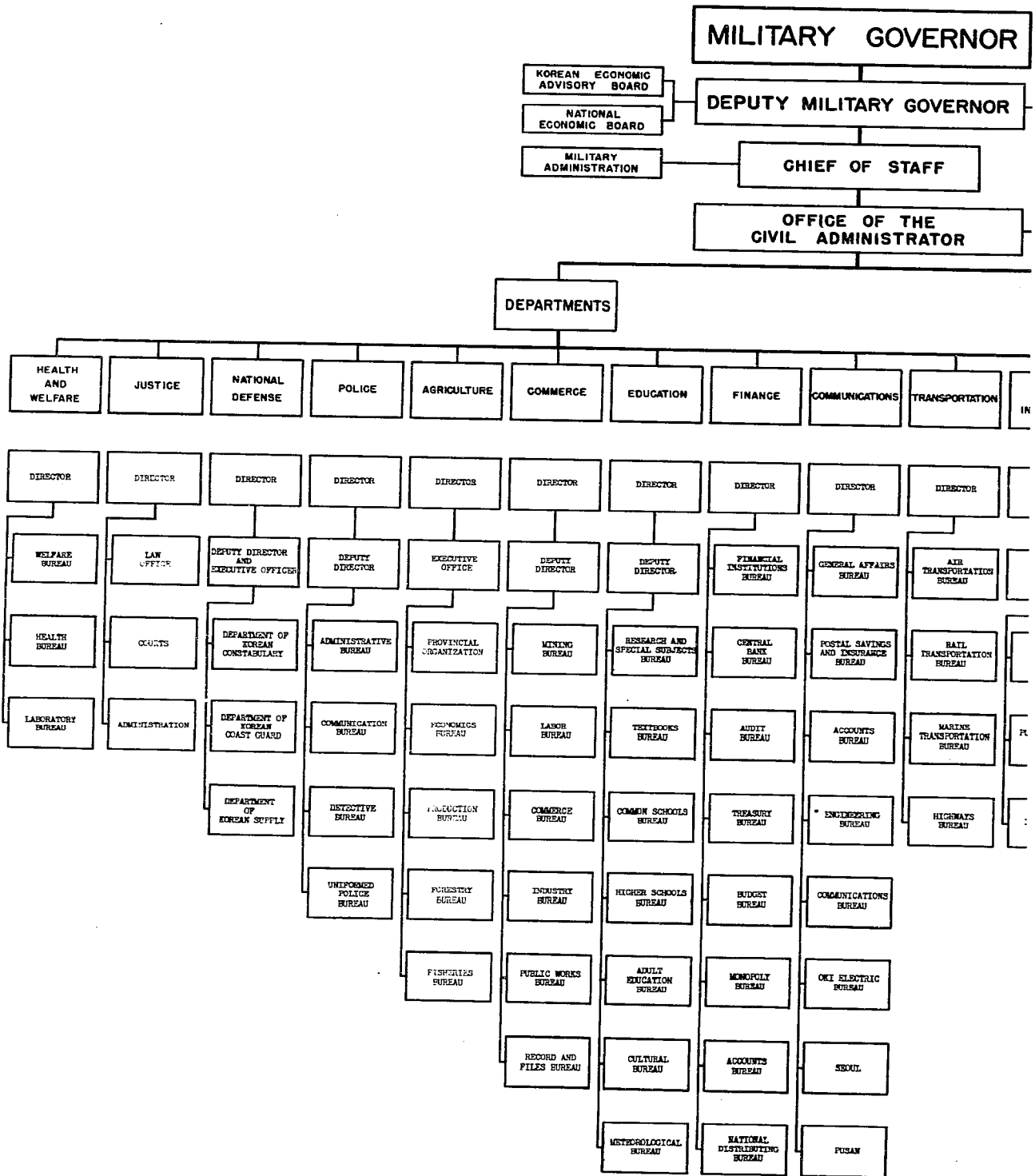
10. The first case of espionage against the Military Government was tried in Korean courts. The evidence disclosed that the Korean defendant, Kim, Kei Cho, had accepted a total of ₩ 3,100,000 from Japanese interests to be used in attempts to disrupt American military administration. He was convicted, fined exactly that amount and sentenced to five years at hard labor. The finding was appealed.

11. Cases pending during April in the Korean Courts Division were:

Supreme Court	
Criminal cases pending	21
Civil cases tried	2
Civil cases pending	20
Courts of Review	
Criminal cases tried	16
Criminal cases pending	104
Civil cases pending	24
District and Branch Courts	
Criminal cases tried	514
Criminal cases pending	1,007
Civil cases tried	142
Civil cases pending	1,211

UNITED STATES ARMY GOVERNMENT

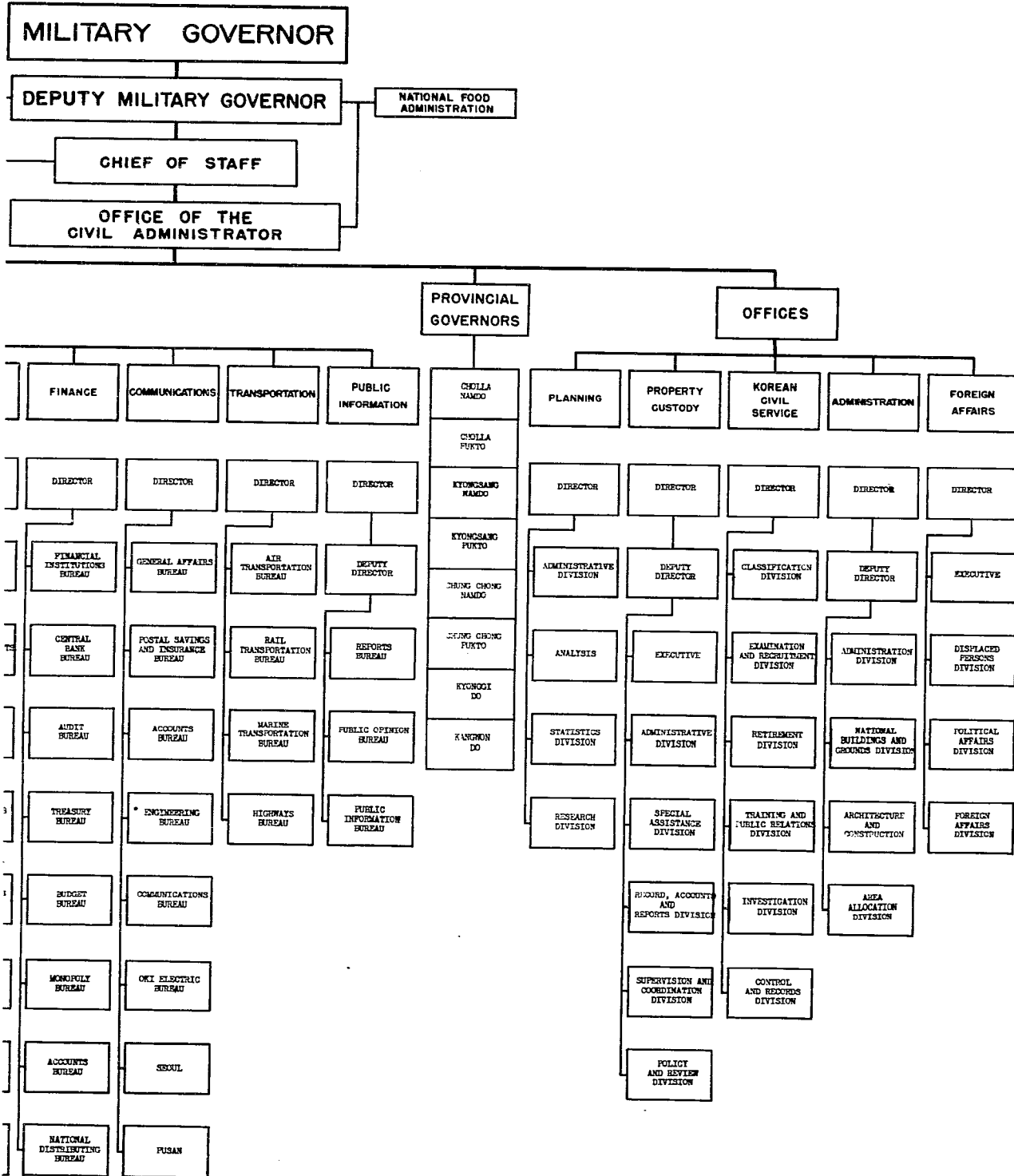
1 APRIL 1946



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ARMY GOVERNMENT IN KOREA

1 APRIL 1946



APRIL 46

GHQ-SCAP

NUMBER 1

CIVIL SERVICE SALARIES SOUTH KOREA-1 APRIL 1946

GRADE		NATIONAL GOVERNMENT		
A	₩60,000	GOVERNOR		
B	₩42,000	VICE GOVERNOR		
C	₩30,000	SEOUL UNIVERSITY	DIRECTOR OF THE OFFICES OF THE SECRETARIAT	HEADS OF DEPARTMENTS
D	₩24,000	PRESIDENT		
E	₩21,000	VICE PRESIDENT		DEPUTY DEPARTMENT HEADS
I	₩14,700	DEANS	DEPUTY CHIEFS	BUREAU HEADS
2	₩12,800		SECTION HEADS	SECTION HEADS
3	₩11,100	PROFESSORS		PROVINCIAL POLICE CHIEF
4	₩ 8,300	ASSOCIATE PROFESSORS	MIDDLE SCHOOL PRINCIPALS	SUPERINTENDENT OF POLICE
5	₩ 7,920		MIDDLE SCHOOL TEACHERS	INSPECTORS
6	₩ 6,960		PRIMARY SCHOOL PRINCIPALS	CAPTAINS
7	₩ 6,000	INSTRUCTORS		JUNIOR ADMINISTRATIVE OFFICERS
8	₩ 5,100	TEACHING ASSISTANTS		SERGEANTS
9	₩ 4,380		TEACHERS	CHIEF CLERK
10	₩ 3,720			CLERK
11	₩ 3,120			STENOGRAPHER CLERK
12	₩ 2,640			STENOGRAPHER CLERK TYPIST
13	₩ 2,160			TYPIST CLERK
14	₩ 1,680			MESSENGER
15	₩ 1,200			SERVANT
		(ANNUAL SALARY)		

GRADE		PROVINCIAL GOVERNMENT		
A	₩60,000			
B	₩42,000			
C	₩30,000	PROVINCIAL	COUNTY	MUNICIPALITIES
D	₩24,000	PROVINCIAL GOVERNOR		
E	₩21,000			
I	₩14,700			MAYOR SEOUL
2	₩12,800	DEPARTMENT HEADS		MAYOR OF PUSAN, TAEGU, INCHON
3	₩11,100			MAYORS OF OTHER (143) MUNICIPALITIES
4	₩ 9,300	SECTION HEADS	COUNTY (GUN) HEADS	DISTRICT (GU) HEAD
5	₩ 7,920		TOWN (EUP) HEADS	SECTION HEAD
6	₩ 6,960		SECTION HEADS	SECTION HEADS
7	₩ 6,000		TOWNSHIP (MEUN) HEADS	SECTION HEADS
8	₩ 5,100			SECTION HEADS
9	₩ 4,380			SECTION HEADS
10	₩ 3,720			
11	₩ 3,120			
12	₩ 2,640			
13	₩ 2,160			
14	₩ 1,680			
15	₩ 1,200			
		(ANNUAL SALARY)		

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12. The following legislative measures, with effective dates as shown, were issued during April:

ORDINANCES

- No. 61, Dissolution of Korean Association for Protection and Relief of Conscripted Laborers and War Sufferers. Effective 8 April.
- No. 62, Regulation of Drugs and Medicines. Effective 8 April.
- No. 63, Bureau of Police removed from Office of Director of National Defense. Effective 8 April.
- No. 64, Change in Nomenclature in the Government of Korea. Effective 29 March.
- No. 65, Regulation of Vehicular and Pedestrian Traffic. Effective 1 April.
- No. 66, Creation of Fire Departments and Boards. Effective 20 April.
- No. 67, Legal Division of Office of General Affairs transferred to Bureau of Justice.
- Functions of Department of Justice.
- Apportionment of Books and Budgetary Funds to the National Law Library.
- Administrative Division of Office of General Affairs transferred to Office of Accounts. Office of General Affairs abolished.
- Name of Office of Accounts changed to Office of Administration.
- Division of Accounts of Office of Administration transferred to Finance Department. Name changed to Bureau of Accounts.
- All effective 2 April.
- No. 68, Control of Motion Pictures. Effective 12 April.
- No. 69, Functions of Office of Korean Civil Service. Effective 30 April.

National Defense

13. Present total strength of the Korean Constabulary is 2,406. A team recruiting jointly for the Constabulary and Coast Guard is touring the principal provincial and coastal towns with an average daily record of 200 enlistments. Ultimate plans call for one constabulary battalion of 1,000 men in each province to act as a reserve force for internal security and to aid the civil police in maintaining order whenever so directed by the Military Governor of Korea.

There are at present three companies in Seoul, the remainder of the force being stationed in the provinces. While trained and administered by U.S. Army personnel, the actual echelons of command in the Korean Constabulary are held by Korean officers.

Korean Coast Guard

14. Training on a rotational basis was instituted for members of the Coast Guard to supplement and broaden the training given at Chinhae. At that port the Coast Guard Academy has 60 Koreans in training as officers, 33 having already been commissioned. In addition to the Academy, the Training School has an enrollment of 898 undergoing training as Coast Guardsmen. In Seoul 68 men are attending a Communications Training School under supervision of the Communications Department of the National Government. Others are receiving special police training.

The new rotational plan will give Coast Guardsmen practical experience at Inchon, where they will replace present crews on light-erage facilities of the Korean Base Command. The mission of the Korean Coast Guard is to prevent smuggling, police coastal waters, assist in enforcement of shipping rules, perform coastal rescue work and guard known mine fields. Present strength of the Coast Guard is 1,011 officers and men.

Public Safety

15. The efficiency and disciplined organization of the Korean civil police were demonstrated to citizens of Seoul by a colorful review of police officers from all provinces. Public exhibitions of this type coupled with a superior performance of duty on the part of the civil police have reduced crimes of violence in South Korea.

Disorders and major crimes during April were very few. The chairman of the People's Front and a financial director of the People's Party in Cholla Pukto were convicted as responsible for disorders during a political campaign late in March. Each was sentenced to six months' imprisonment.

16. Superior detective work by Korean officials in collaboration with military police resulted in the apprehension and conviction of seven men charged with 72 crimes, including the murder of a policeman and robbery of a U.S. officer's quarters. One was sentenced to death by a military commission. The remaining sentences ranged from two years to life imprisonment.

A plot to assassinate Dr. Syngman Rhee, Korean political leader, was foiled with the arrest by Korean police of seven members of a rival political party on a charge of carrying weapons. Two of those arrested confessed.

17. Right-hand driving regulations went into effect 1 April with a minimum of confusion. Preparatory educational measures were taken but the apparent ease with which the public adapted itself to the change without major accidents or traffic congestion was commendable.

The New Korea Company Ltd.

18. A check of the books and files of the Oriental Development Company, predecessor of the New Korea Company, Ltd. revealed holdings in 82 subsidiary organizations. In 38 subsidiaries with an aggregate paid-up capital of ¥ 296,842,500 these holdings were in excess of 25 percent while interests of less than 25 percent were shown in 44 companies with a total paid-up capital of ¥ 2,006,000,000.

Interests of the giant organization, now assumed by the Government through the New Korea Company, Ltd., included land developments, mining, lumber, alcohol manufacturing, woolen manufacturing, livestock, railroads, rubber, chemicals, machine tools, shipbuilding, petroleum, rice storage, aviation, paper manufacturing, salt, aluminum, cotton and fisheries.

PRESS AND PUBLIC OPINION

19. The time limit for registration of printing presses, newspapers, magazines and other publications required under Ordinance No. 19 has been extended to 10 April without penalty.

20. With the temporary abatement of the food crisis in Seoul criticism of the rice collection plan lessened although there was still a widespread belief that the real crisis will not pass until the end of May.

21. There was a generally pessimistic attitude toward the outcome of the U.S.-Soviet Joint Commission meetings but little doubt on the part of the general public that ultimate independence would be realized.

22. Organized labor was criticized, there being a general opinion that it is too closely linked to political interests.

23. There was widespread approval of military government operations throughout South Korea although individual programs of the Government such as the rice collection plan and its general handling of the economic situation met with disapproval.

The governmental offer of rewards for information leading to the apprehension of persons holding rice illegally, promulgated in April, was openly criticized by the People's Front. With other Korean political parties and groups, it suggested that the entire food problem be turned over to civilian agencies for solution.

POLITICAL PARTIES AND PERSONALITIES

24. The political situation was quiet due, it is believed, to public apathy on matters not concerning their own immediate food problems. The tractable attitude of politicians and political groups can undoubtedly be traced to the fact that they are on their best behavior pending the outcome of the U.S.-Soviet Joint Commission meetings, all hoping for recognition in the formation of the future Democratic Provisional Government. Another factor was the prohibition by the Military Governor of all parades and assemblies with the exception of wedding ceremonies and religious meetings until after the Commission meetings.

25. Activity toward unification by right wing groups was mildly re-energized during the month resulting in the amalgamation of the Nationalist and the Independence Parties. Kim Koo was named president of the unnamed new group although he announced later that he was severing all active connection with any particular party or group.

26. Dr. Syngman Rhee returned to his post as chairman of the Representative Democratic Council and shortly after the middle of the month both he and Kim Koo announced that in the future they wished to be free from all political party ties so that they could render unbiased assistance in the formation of the new Provisional Government.

Meetings and Demonstrations

27. A memorial service honoring the late Franklin Delano Roosevelt was held in Seoul under the sponsorship of the People's Front. During the ceremonies tribute was paid the late President of the United States by Lyuh Wun Hung, chairman of the group. The National Society for the Rapid Realization of Independence, a fusion of Rightist elements, met on 10-11 April under the joint chairmanship

of Dr. Syngman Rhee and Kim Koo. A message expressing cooperation with the efforts of the Joint Commission was approved.

28. The Korean Communist Party celebrated its 21st anniversary at a meeting in Seoul on 17 April with an attendance of 1,500 people. American military government representatives attended and a congratulatory message from Colonel General Shtikov, chief Soviet delegate to the Joint Commission, was read.

INTERZONE ACTIVITIES

29. The fifth joint communique of the Commission was issued 17 April and reported that a decision had been reached to consult with democratic parties and social organizations in the formation of a future Provisional Korean Democratic Government.

The Commission decided to invite the assistance of truly democratic groups and required that before such groups would be accepted for consultation a statement be signed to the effect that they uphold the aims of the Moscow decision on Korea to re-establish the country as an independent state and abide by the decisions of the Joint Commission in working out the basis for the future government.

The actual mechanics governing the consultations are being worked out by Joint Sub-commission No. 1. Joint Sub-commission No. 2 will prepare a charter in which will be incorporated the structure and operation of the Provisional Government at all levels, while Joint Sub-commission No. 3 will work out the political platform for the future Government embracing all political, economic and cultural fields.

30. The sixth joint communique of the Commission was issued on 24 April over the signatures of Maj. Gen. A. V. Arnold of the U.S. delegation and Col. Gen. T. F. Shtikov of the Soviet delegation. The communique:

"The U.S.-Soviet Joint Commission, at a meeting on 20 April 1946, in the Tuk Soe Palace, Seoul, Korea, discussed the question of the order of consultation with Korean Democratic parties and social organizations and also the sequence of the work of the Joint Commission in forming the Provisional Korean Democratic Government. The chief of the United States delegation, Major General A. V. Arnold, was chairman.

"The chiefs of both delegations presented their points of view and are taking every possible measure to insure the early completion of the work of the joint sub-commissions.

"Joint Sub-Commission No. 1 made progress in working out the procedure for the consultation by the Joint Commission with Korean democratic parties and social organizations. It is expected that the complete details will be ready for announcement soon.

"Joint Sub-Commission No. 2 and Joint Sub-Commission No. 3 are working on questionnaires that will be submitted to representatives of political parties and social organizations with which the Joint Commission will consult.

"The purpose of these questionnaires is to obtain for the Joint Commission a broad and clear understanding of the opinions of the Korean people and to give consideration to their advices and proposals on the question of the structure and principles of organization of the Provisional Korean Democratic Government and its political platform."

Travel, Communications and Commerce

31. The Yellow Sea route from the mainland of South Korea to the isolated American-occupied peninsula of Hwanghae Do is now being used to transport supplies to personnel stationed there. The recent assignment of an LSM to this duty is easing the difficulty of road travel through Russian-occupied territory that was heretofore necessary.

32. The American liaison team at Pyongyang, just north of the 38th parallel, arranged for shipment of four tons of chlorine from Russian territory and it was received and allocated.

33. The third exchange of mail between North and South Korea was made on 12 April. Twelve bags of registered mail and 35 bags of first class mail from South Korea were exchanged for one bag of registered mail and 11 bags of first class mail from North Korea.

FOREIGN AFFAIRS

Repatriation of Koreans

34. The March registrations conducted by the Japanese at the direction of SCAP indicated 513,900 Koreans desired repatriation, 504,199 to South Korea and 9,701 to North Korea. Shipment of repatriates to North Korea is presently suspended.

The Japanese Government was ordered by SCAP on 9 April to keep debarkation ports filled with sufficient processed repatriates to fill to capacity the daily allocation of shipping spaces of 6,000. This quota has not been met. Further instructions were issued ordering the Japanese to increase progressively the present daily flow of Korean repatriates from 2,000 to 4,000 by 4 May and to maintain that daily average. All Koreans in Japan who desire repatriation to Korea are to be cleared from Japan not later than 30 August.

35. Refugee centers in Seoul established to care for returning Koreans consisted of small individually operated buildings and were unsatisfactory from many standpoints. This condition has been remedied by their consolidation into one government-supervised compound. The following table and chart show the status of repatriated Koreans on 28 April 1946.

<u>Repatriated from</u>	<u>Period</u>	
	<u>1-28 April</u>	<u>To Date</u>
Japan	40,974	875,113
Pacific Ocean areas	1	13,986
Philippine Islands	123	1,295
Formosa	1,777	3,449
China	1,715	17,369
Kyukyus	0	1,753
Hongkong	0	287
Hawaii	0	2,531
Australian areas	0	2,513

0045

SECTION 3
ECONOMIC ACTIVITIES

C O N T E N T S

	Paragraph
Agriculture, Forestry and Fisheries.	1
Commerce and Finance	17
Mining and Industry.	23
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AGRICULTURE, FORESTRY AND FISHERIES

Rice Collection and Distribution

1. During April the people of Seoul were permitted to buy rice in the open market. The established ration of 1 hop (.38 pint) per person per day is being maintained for rice issued from government stocks. but in order to encourage the purchase of rice from farmers in the surrounding rural areas, 2 hop per person per day may be purchased and brought into Seoul between now and the next harvest, 15 October. In making such purchases citizens of Seoul forfeit their ration privileges.

Rice Planting and Expected Yields

2. Pre-planting season surveys show that Korean farmers generally have sufficient seed rice saved. Preparation for the planting is under way with the treatment of seed in salt solution. In this immersion method the good seed sinks into the solution and the bad rises to the surface. About one-third of all seed rice is usually unfit for planting purposes.

3. Land reclamation is receiving serious attention from Military Government in an effort to increase rice acreage. Contracts have already been awarded for several projects as a part of a master irrigation plan which will cost ₩ 100,000,000. Over 8,000 acres will be reclaimed in Chung Chong Pukto, Cholla Pukto and Kyongseang Pukto at a cost of ₩ 21,000,000. Three additional contracts, approved but not yet awarded, contemplate the expenditure of ₩ 22,000,000 in Kyongseang Pukto, Hwanghae Do and Kangwon Do.

Fertilizer

4. The critical shortage of fertilizers in South Korea presents a pessimistic outlook for the 1946 crop and no effective remedial measures or sources of supply have been found.

5. No imports of fertilizer were received during April. Guano deposits on Jikto Island, just off the coast of Cholla Pukto, were reported and investigated. The deposits are fairly large but because they are very low in nitrogen and phosphorus content (only about 10 percent of the content normally found in South American guano) the expense of working and shipping them to inland Korea is not justified. It is being used in the adjacent provinces of Cholla Pukto and Chung Chong Nando.

The two fertilizer plants in South Korea, at Incheon and Sanchok, are non-productive because of a shortage of ammonia. The Incheon plant can produce 30,000 tons of superphosphate a year and,

with the exception of requirements of 150 tons of ammonia, has enough raw materials on hand to produce 5,000 tons at normal production rate. The plant at Samchok needs one and one-half tons of ammonia a month for six months to produce 7,200 tons of nitrogen calcium cyanamide. Allocation of this amount was made from the 50 tons received recently from Japan. Annual needs are 285,000 tons of superphosphate and 155,000 tons of ammonium sulfate.

Sericulture

6. Only 15 percent of the mulberry seedlings recently imported from Japan were found to be in good condition. Immediate distribution was made to the provinces.

7. Three billion silkworm eggs were distributed to the provincial sericulture associations. The eggs are now in storage awaiting the leaf growth of the mulberry before final distribution to farmers.

8. Constant egg-breeding research is carried on at Suwon Experimental Station where a system of concentrating three generations of silkworm eggs, placed in operation by the Japanese, is being resumed.

Under this plan a portion of the initial shipment of eggs will be retained for breeding. Next year the resulting production of eggs will be distributed to provincial sericulture associations where they will be kept for a second year's breeding. This second generation will then be distributed to licensed egg-breeders throughout the provinces who will repeat the process and raise a third generation of eggs for distribution to farmers. This process will be repeated each year, with the expected result of increasing the supply of eggs and improving their quality.

Forestry

9. The reforestation program under which 90,000,000 seedlings are being planted to restore overcut timber lands was formally placed in operation 1 April. The school children of Seoul planted 13,000 trees as part of the opening ceremonies and similar large-scale plantings took place throughout South Korea. Arrangements were made for further plantings to reach the goal set under the program.

Fisheries

10. Licensing and leasing of fishing grounds was completed and 1,200 fishing craft assembled in the Yellow Sea as the fishing season opened. Altogether some 50,000 vessels of varying sizes are engaged in coastal and pelagic fishing in waters adjacent to Korea. The estimated catch off the west coast for the season 1 May to 1 August is 40,000 tons, principally sunfish and mackerel, most of which will be available for export.

11. Korea is producing all the marine products she can presently consume. There are sufficient supplies of dried fish and seaweed in even the most remote communities, although inadequate transportation and refrigeration facilities limit the amount of fresh fish which may be disposed of in areas far from the seacoast. At present there is a surplus of laver or edible seaweed and limited quantities of agar-agar are available for export.

12. A number of requirements must be met to insure continued satisfactory production of marine products. There is an acute shortage of fish nettings, rope and twine in many communities and much equipment now in use needs replacement and repair.

Steps have been taken to obtain ammonia for the refrigeration industry and salt for the preservation of fish. Bamboo is

being shipped from Japan to be used largely in the seaweed industry, and a small canning industry may be reactivated if cans or tinplate are provided.

13. The fish meal industry cannot be reactivated sufficiently to alleviate the present fertilizer shortage. The sardine fishery normally produces most of the Korean fish meal but there has been an almost complete failure in the sardine run since the 1942 season. Meantime much of the sardine gear deteriorated or was diverted to other uses. Many of the presses for the extraction of fish oil were dismantled and used as scrap metal for war purposes, so that even if sardines should reappear this season in sufficient quantity it would be impossible for the industry to be ready to catch and process large quantities before the run ends.

14. The fishery guilds and unions are being reorganized along more democratic lines. The guilds collect the basic statistics in the fishing communities and the union in each province consolidates the monthly reports from its guilds and supplies copies of these reports to the provincial and national governments.

15. South Korea has two government fish farms, one on the south coast at Chinnae and the other northeast of Seoul at Chongpyong. The primary purpose of these farms is to produce young fresh-water fish for distribution into reservoirs, lakes, streams and rice paddies. Most of the fish produced are carp, the majority of which are distributed to farmers for planting in paddies. See chart, page 22.

A small experimental station is operated in conjunction with each farm to study problems of raising, distributing and utilizing fresh-water fish.

16. Carp spawn in the spring and attain a length of one and one half centimeters by the time the rice paddies are flooded in late June or July. At this time they are purchased by farmers and placed in rice paddies. When the paddies are drained in October the carp have attained a length of about 15 centimeters and are edible.

The public has been informed how to care for fish obtained from government farms. Many more fish are requested each year than can be produced with present facilities.

COMMERCE AND FINANCE

Imports and Exports

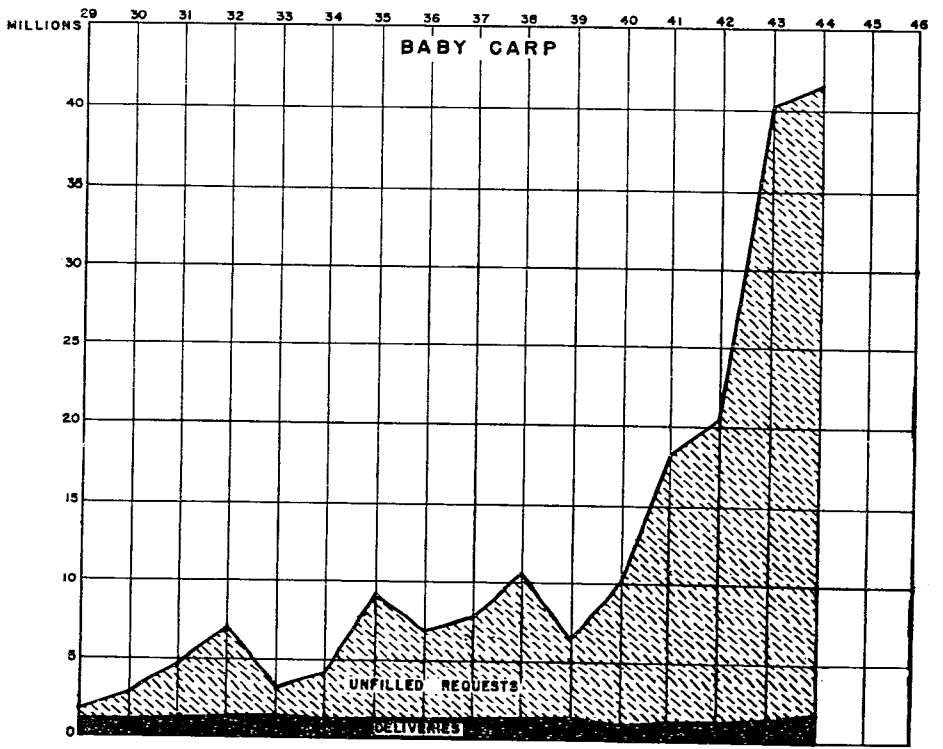
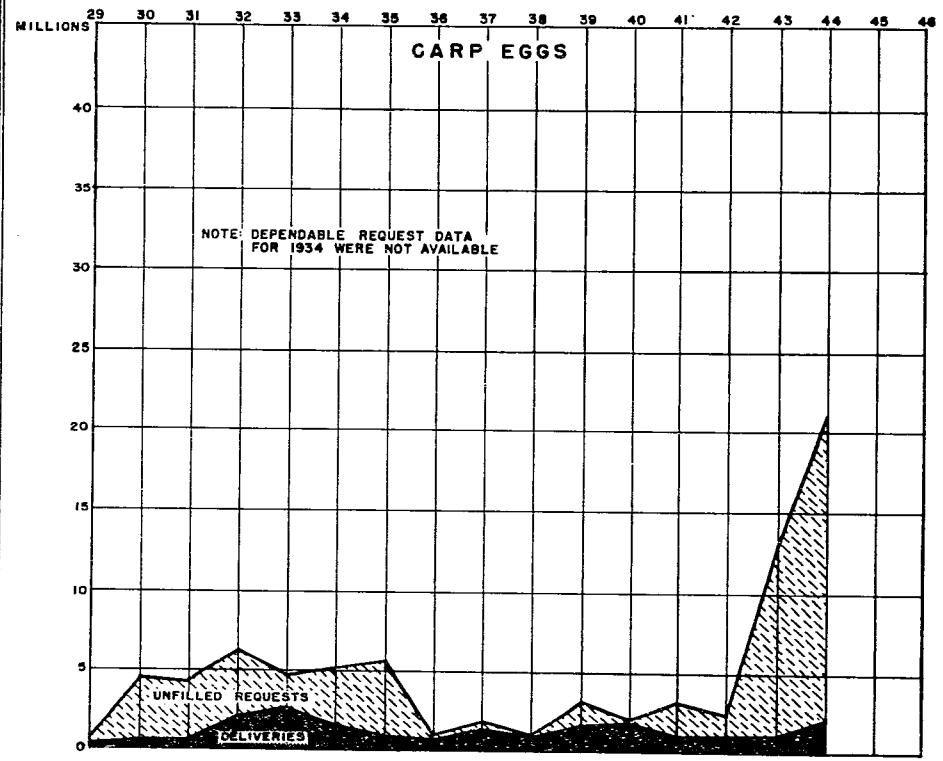
17. Quantities of critical items received from Japan include 910,000 mulberry seedlings, 5 tons of boiler tubes, 4,000 tons of salt, 12 tons of chlorine, 320 tons of alum, 70 tons of ammonia, 23,000 reams of cigarette paper, vegetable seeds, coal, coal tar pitch and bank note paper. Other items which SCAP has ordered the Japanese Government to ship to Korea include gasoline locomotives, motor cars, transportation equipment parts and sulfur. Three hundred tons of fresh fish, 60 tons of dried sardines and 10 tons of dried sea slugs are available for early shipment to Japan.

Fiscal

18. Exchange of Japanese currency for Bank of Chosen notes for repatriates leaving Japan was placed in effect on 15 April. SCAP ordered the Bank of Japan to distribute \$ 120,000,000 in Korean money to branch banks at Hakodate, Fukuoka and Kyoto, to apportion these funds to Japanese ports of embarkation and to account for all funds disbursed and received under the new exchange plan.

CARP HATCHERY ACTIVITIES

KOREA-1929 TO 1944



SOURCE: FISHERIES EXPERIMENT STATION, KOREA.

APRIL 46

GHQ-SCAP

NUMBER 4

Deliveries of Bank of Chosen currency were made from ¥ 320,000,000 held in Tokyo together with ¥ 15,000,000 flown from Korea. All exchanges will be made on a one-for-one basis.

Rationing and Price Control

19. A National Food Administrator was appointed to control the procurement, allocation, distribution and rationing of critical foodstuffs. The main efforts of the office will be directed toward procuring and distributing rice in deficit and urban areas but all foods will be controlled. Ceiling prices for foods will be placed in effect in coordination with the National Economic Board.

Existing channels will be used to distribute foodstuffs, namely, the Provincial Food Services, formerly branches of the Korean Commodity Company. The organization of the National Food Administrator will include the Office of the Controller of Commodities, formerly the Korean Commodity Company.

Foods owned by or purchased from the U.S. are all handled through the Materials Control Corporation as accountable agent. This will continue and after necessary records have been made the foods will be turned over to the National Food Administrator for distribution.

20. Prices remain high throughout Korea but the price of rice substantially decreased due primarily to the legalization of purchase of that commodity on the open market. Market prices in the Seoul area have dropped from ¥ 450 per small marl (16.5 pounds) to between ¥ 200 and ¥ 225.

21. Even at the present lower prices rice purchase is so difficult for factory employees and white collar workers that unrest exists in those fields of employment. Demands for partial payment in rice have been made and in several cases have been the basis for strikes, notably the recently settled walk-out of Korean Broadcasting Corporation employees and the printers' strike in late March. The latter forced three large newspapers, the Chosun Ilbo, Dong A Ilbo and Hansung Ilbo, to suspend publication.

The motivating influence behind the newspaper strike appeared to be more political than economic but the difficulties of employees in buying rice undoubtedly added fuel to the flame.

22. Government employees in South Korea are paid a monthly sum known as a cost of living differential in addition to their basic earnings to offset the wide variation between living cost and income. The amount varies from month to month with the rise or fall of living costs. During April it was established at ¥ 1,000 per month.

The differential is paid on a flat-rate basis regardless of the basic pay scale of the employee. The difference in basic pay rates is depended upon to offset greater expenditures of higher salaried workers in maintaining their households.

Although ¥ 1,000 is established as the current differential, this does not mean that this amount is paid universally. Each urban center is rated according to local conditions and a corresponding percentage of the full differential, which is considered as a 100 percent figure, is paid. While all employees in the Seoul area are paid on a basis of 100 percent those in Taejon may receive only 80 percent and those in a smaller community where prices are more favorable a still lower percentage in accordance with local prices.

MINING AND INDUSTRY

Factory Openings and Closings

23. A total of 15 industries producing a wide variety of commodities and employing more than 3,300 persons opened in April. Among the products represented are canned meats, fish nets, machinery, rubber shoes, toilet articles and wool and cotton textiles. Hand tools for many of the factories are being made available through the Department of Commerce and the Materials Control Corporation.

24. The Hokusen Paper Company produced nearly 200,000 pounds of newsprint in March and has a sufficient quantity of raw materials to continue operation for four months at the current rate. Of 18 paper mills in South Korea 15 are inoperative due to shortages.

25. An asphalt emulsion plant, the only one of its type south of the 38th parallel, was opened by the city of Seoul. It is capable of producing sufficient material to surface 600 to 1,000 square meters of street per day.

26. The necessity for greater production of food products and food processing was emphasized. Plants with facilities for handling flour were urged to produce noodles. Flour commitments from government sources to Korean noodle factories now total 58,000 bags and production has reached a total of 18,392 pounds per day. A stockpile of 144,000 pounds of noodles was established in Seoul and is being sold in rationed amounts through the Provincial Food Services.

Public Works and Utilities

27. Difficulties in water purification due to an acute shortage of certain chemicals have been alleviated by distribution of 11 metric tons of liquid chlorine and 67 metric tons of aluminum sulfate. Two power plants with a combined production capacity of 17,000 kilowatts are in operation at the Yong Wul Steam Plant in Kangwon Do.

Coal

28. Both the quality and quantity of bituminous coal shipped from Japan have more nearly approached established standards. See accompanying chart. Inspection of coal before shipment, inaugurated in March, and the depletion of old Japanese stockpiles have resulted in marked improvement in quality. Shipments received from Japan during April aggregated 83,247 tons. See chart, page 25.

Some equipment adaptable to communications use is manufactured in Korea but this is mostly an outgrowth of the electrical power manufacturing field. No commercial electronic equipment has been manufactured in Korea.

30. Korea has all the necessary raw materials for the manufacture of communications equipment, but at present practically none is available for any manufacturing process.

31. Bare plant facilities exist in sufficient number for the manufacture of communications products but have been partially or completely stripped of usable heavy machine tools. Larger plants are partially used at present for storage of supplies and housing of troops.

Small hand and machine tools are not available in quantity and the few available hand tools are poor in quality. Critical items of production such as dies for wire drawing were imported from Japan. There has been no import of these items in the last year and present units are worn and will need replacement in a few months.

32. Technical personnel who are trained and able to carry out manufacturing processes are available. These men are not well trained according to U.S. standards but are capable of carrying out the normal details of manufacture excluding the design and development of new and modern products. Unskilled and semi-skilled labor is available in quantity.

33. No communications equipment is being manufactured in Korea except wire which is being produced in very small quantities. It is believed that a small amount of communications manufacturing will be started by private industry. An example of this is the Chungung Foundry which has been given a trial order for 500 switchboard plugs by the Department of Communications. Several small and medium sized manufacturers have indicated a desire to produce communications equipment when conditions permit.

34. An investigation of the following 20 firms disclosed that nine were producing on a limited basis and 11 were closed:

Operating (limited production): Chosen Electric Wire Company, Chosen Toshiba Electric Company, Ltd., Chungung Foundry, Korea Miniature Lamp Company, Mitsubishi Electric Machine Company, Ltd., Oriental Dry Cell Company, Ltd., Oriental Wire Company, Osaka Transformer Company, Ltd. and Sang Cheun Sa Lamp Company.

Closed: Chosen Daiding Industry Company, Ltd., Chosen Kangap Company, Dong-A Wireless Industry Company, Ltd., Korea Special Alloy Company, Matsuhita Electric Company, Oki Electric Company, Popyung Metal Works Company, Ltd., Seoul Bakelite Industry, Seoul Metal Industry, Tang Chun Storage Battery Manufacturing Company and Tokyo Seiko Manufacturing Company.

35. A series of contests is being held to improve the efficiency and courtesy of telephone operators. Cash prizes are awarded for the best slogans submitted dealing with good operating practices and a selected number of the prize winning slogans will be used to educate telephone personnel along these lines.

36. The Korean police have established a radio network between all provinces using both voice and code. The vocational school of the Communications Department graduated 95 telegraph operators and 55 postal clerks on 20 April.

Postal Service

37. New Korean postage stamps will go into use on 1 May. Old

stamps will be honored until June 30. The new issue includes those of 1, 3, 5, 20, and 50 chun denominations.

Future issues of Korean stamps will be produced entirely by domestic facilities. Korean artists have submitted a series of stamp designs of which 10 will be selected for use on future issues.

Railroads

38. Railroad transportation in South Korea has improved. Cargo and passenger loads have increased but equipment and trackage are poor and inadequate. No repair parts of maintenance equipment have yet been obtained outside Korea.

Rolling Stock and Locomotives

39. Total standard gauge equipment in South Korea is listed below:

Locomotives

Switch engines	43
Passenger engines	262
Freight engines	<u>167</u>
	472

Rolling Stock

Passenger cars	1,060
Freight cars	<u>8,466</u>
	9,526

40. Of the locomotives in South Korea, half are practically obsolete due to age and type. Some are over 35 years old, many are of the single-driver type and others are too light for normal modern power requirements, their weights ranging from 28 to 52 tons. Seventy-five percent of all heavy power engines in Korea prior to the surrender are north of the 38th parallel. An average of 11 locomotives a month have been restored to service in excess of breakdowns.

Possibilities for new locomotive production within Korea are slight. There are two assembly plants, one at Yongdong Po and one at Inchon, at which two new locomotives have been assembled and placed in service. Sufficient parts are on hand for production of three more but any further assemblies will depend on importation of parts from Japan.

Trackage and Roadbed Maintenance

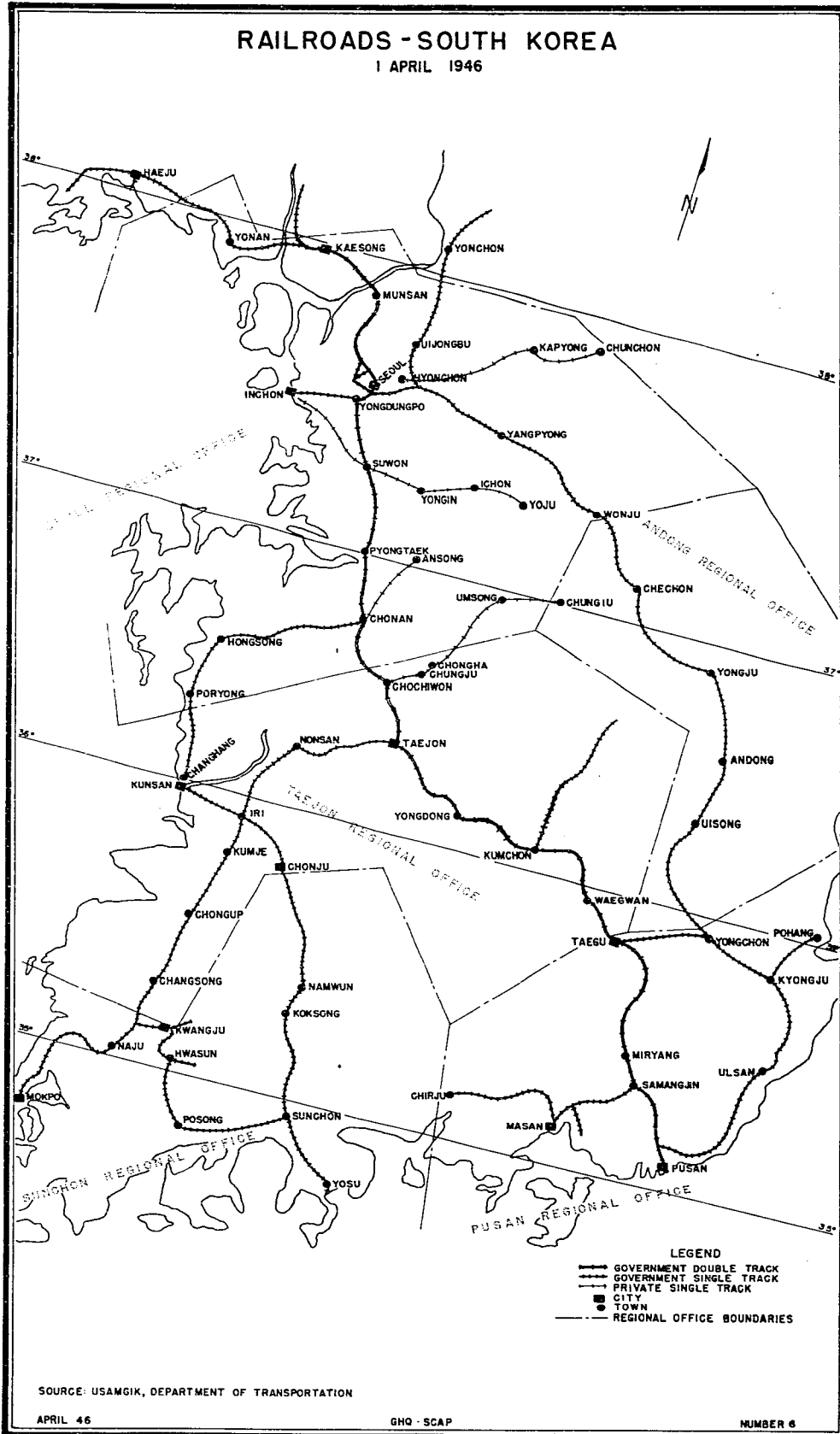
41. The only double track road in South Korea is the Kaesong-Seoul-Pusan main line. The present government-owned trackage will be increased 1 May by 25 percent when acquisition of four privately owned railroads will be completed. See map, page 28. Total kilometers of trackage in South Korea at present are as follows:

	<u>Government Owned</u>	<u>Privately Owned</u>	<u>Total</u>
Standard gauge	2,074.0	416.5	2,490.5
Narrow gauge	<u>86.7</u>	<u>125.3</u>	<u>212.0</u>
Total	2,160.7	541.8	2,702.5

The privately-owned systems have not been self-sustaining and have had little or no maintenance during the past nine years. Automatic block signals on the Seoul-Taejon section of the main line,

RAILROADS - SOUTH KOREA

1 APRIL 1946



inoperative since the surrender, will be back in service by 1 May. Roadbed maintenance remains a major problem with a critical need for 1,000,000 cross-ties a year. During the past six months fewer than 20,000 ties a month have been obtainable.

Traffic

42. Both freight and passenger traffic have increased but an analysis of operations shows considerable improvement as indicated by the following table:

	<u>Week Ending</u> <u>31 Dec 1945</u>	<u>Week Ending</u> <u>31 March 1946</u>
Passenger trains arriving in Seoul	67	77
Trains arriving on time	4	20
Average hours late	3 hrs 24 min	38 min
Passenger trains departing Seoul	71	77
Trains departing on time	6	53
Average hours late	2 hrs 2 min	9 min

During the week ending 31 December 480 loaded freight cars were dispatched north over the main line out of Pusan. This figure had increased to 881 by the week ending 31 March. The movement of coal, the major freight load north of Pusan, increased from 142 carloads during the first week in January to 635 during the last week in March, an average increase of from 20 to 91 cars a day.

Shipping

43. At present there are three Baltic type vessels and five former Chosen Mail Steamship Company ships on the Pusan-Mukko run carrying coal from Mukko south and rice from Pusan north.

Thirteen LST's comprise the remainder of the coastwise shipping fleet operating in South Korea. Cargoes of coal, rice, lumber, fish and other commodities are carried to all coastal ports.

Airways

44. Eight C-47's were sent to Kimpo air field and an air courier service began operations on 22 April using U.S. Army officers as pilots. The planes will make two runs south from Kimpo every other day, one to Pusan through Taejon and one to Kwangju and Cheju Island.

SECTION 4

SOCIAL ACTIVITIES

C O N T E N T S

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Public Health and Welfare	10

EDUCATION AND CULTURE

1. Korean schools have more students today than at any time in the history of the country, yet many children of school age are prevented from attending because of inadequate facilities in many sections of South Korea. Middle schools are seriously overcrowded and a heavy influx of students from North Korea adds to the gravity of the situation. Schools in the Seoul area, most seriously affected because of its concentrated population, have inaugurated a double-shift program as a temporary expedient pending the acquisition of suitable buildings.

2. The 26 colleges and other higher education institutions in South Korea now have an attendance of 9,562 students studying under 940 teachers.

Under Japanese domination it was practically impossible for anyone not Japanese to gain admission to Seoul University, the only institution of its kind in Korea. There were sometimes as many as two instructors per student. Japanese repatriation depleted the faculty but Koreans have staffed the university to accommodate 506 students, the largest enrollment in its history.

3. There were several student strikes in April. In Seoul 1,800 students from five of the 22 higher schools refused to attend classes, giving as their reasons difficulty in obtaining rice, the inadequacy of transportation and dissatisfaction with school administration. Investigation showed that in most cases the real reasons were of a political nature. During the last week of April most of the striking students returned to school voluntarily.

Reforms, Materials and Personnel

4. A drastic revision of the Korean school system, planned by the Committee of Higher Education, is scheduled to go into effect in September. Compulsory education will be instituted for the first time in Korea's history. Two additional years of secondary education will be decreed and four years of college will be offered.

Compulsory education will not be completely effective at once. Special consideration will be given to families needing their children at home next year and classroom and teacher shortages will further delay the program. Universal education is not expected to be in effect until 1952.

5. Re-establishment of the old Korean alphabet is under way and school texts will use horizontal printing of characters reading from left to right. Both measures will simplify reading and enable school children to learn to read at an earlier age than is possible with the present character arrangement. The alphabet is composed

of 26 phonetics and 70 syllables representing all sounds in English except F, V and Th.

In all, 1,700,000 copies of the new Korean textbooks have been distributed but supplies of paper are sufficient for only 700,000 additional copies. Two American teachers' manuals were translated into Korean as guides in textbook preparation.

Temporary training schools for teachers were arranged in 13 colleges and schools in South Korea. These courses will accommodate about 2,000 prospective teachers for secondary schools.

Adult Training and Literacy

6. The institute for training Korean leaders in adult education opened at Seoul on 5 April with 120 in attendance representing every province. At the close of the two-month course these students will return to their home communities and organize local programs for adult education.

A study of the Japanese census of 1944 reveals 7,733,000 illiterates in a population of 17,000,000 in South Korea. Over 4,000,000 of these are between the ages of 18 and 45.

7. Military Government has started an English course for Koreans who wish to study in the United States. The course is open now only to those nominated by governmental chiefs of sections. Enrollment is limited to 100, most of whom have studied English for 10 years and expect to qualify under a State Department ruling that foreign students must be proficient in the English language.

Pending the outcome of negotiations by a Korean commission now in Washington, it is expected they will be admitted to the United States with scholarships now available for foreign students. The number has been set tentatively at 150 students a year.

Museums and Libraries

8. An exhibition in Seoul of Korean native industrial arts and farming methods attracted much favorable attention. The Kaesong Branch of the National Museum was formally opened on 15 April.

The Korean committee for the preservation of treasures, relics, historic sites and natural places was reorganized to restore monuments and relics defaced by neglect or vandalism.

The National Library is establishing a school for librarians. The initial class of 25 will attend a course of six months' duration.

PUBLIC INFORMATION

9. Arrangements were completed for distribution of American feature films and newsreels and two newsreels were made in Korean theaters. A series of documentary films on governmental activities will be produced. One showing the work of the National Police Academy was completed, and another was begun depicting the manufacture of DDT and the toxic analysis and synthesis of organic medicines by the National Chemical Laboratory.

PUBLIC HEALTH AND WELFARE

10. Smallpox and typhus were the principal communicable diseases but intensification of vaccination and DDT dusting in all communities has brought them under control. An allocation of 3,000,000 units of vaccine was made from United States Army stocks.

Public education in the importance of prompt reporting of cases was successful and tardy reports are now due mainly to transportation difficulties.

11. The Public Health Department of Seoul has inoculated 440,000 persons against typhus and dusted more than 600,000 with DDT powder. The effectiveness of this program is indicated in the following comparison of typhus cases reported during three corresponding periods of 1945 and 1946.

	<u>February</u>	<u>March</u>	<u>1-19 April</u>
1945	153	378	136
1946	100	191	38

12. In Chung Chong Namdo an increase in typhoid cases was experienced during April and public water supply plants and pipe lines are being rehabilitated to curb further increases. The situation is aggravated by an acute shortage of purification chemicals.

13. All incoming vessels carrying Koreans from China will be inspected at the debarkation ports for cholera cases. If the ship has been away from its home port for six days or more and no cases are discovered the passengers will be allowed to disembark after receiving inoculations against cholera. If the vessel has been en route less than six days it must remain in port until a six-day period has elapsed before unloading. Should any cholera be discovered, the vessel will be placed in quarantine for 14 days and the individual cases transferred to isolation centers.

Supplies and Distribution

14. Distribution was made to the provinces of 18,000 bottles of sulfathiazole and sulfadiazine, part of the recent shipment of American medical units.

Commendable results have been achieved in Korean laboratories under the direction of American forces, outstanding among which was the production of biologicals. Progress was also made in organic synthesis, nutritional studies, toxicology, biochemistry, sanitary chemistry and drug analysis.

Institutions

15. Five medical clinics have been established in Seoul and are operating with Korean staffs under the supervision of the Department of Public Health and Welfare. They are the General Dispensary at the capitol for Military Government employees, the Tuberculosis Clinic at Sungme Hospital, the pre-natal, maternity and child welfare clinics at City Hospital and the General Clinic at the City Hall.

Welfare

16. More than 2,000 refugees entered the Seoul Refugee Camp during the first week of its operation, over four times the average weekly intake at all of the individual refugee centers formerly in operation.

17. A recently completed survey of public institutions shows that there are 68 orphanages and homes for the aged in operation with a total capacity of 5,300 persons. Present occupants number 3,300 of whom 1,900 are children. Prior to August 1945 only one public home for children existed in South Korea. Since that date nine new institutions have been founded for the care of juveniles.

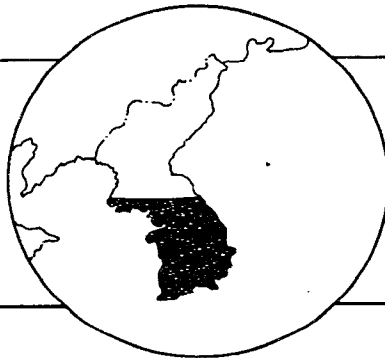
18. An extensive social survey of 3,000 Korean families in all parts of South Korea was begun. The survey is being made by nine trained investigators over a period of six months and will include a study of farm and community life and an evaluation of existing welfare work.

朝鮮占領報告

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Commander - in - Chief
United States Army Forces, Pacific



SUMMATION
of
UNITED STATES ARMY
MILITARY GOVERNMENT
ACTIVITIES
in
KOREA

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No 10

July

1946

0062

**GENERAL HEADQUARTERS
COMMANDER - IN - CHIEF
UNITED STATES ARMY FORCES, PACIFIC**

SUMMATION NO 10

**UNITED STATES ARMY
MILITARY GOVERNMENT
ACTIVITIES**

**IN
KOREA**

**FOR THE MONTH OF
JULY 1946**

0063

Eighth U. S. Army Printing Plant
(Bacondale) #1508

COMMANDER-IN-CHIEF
UNITED STATES ARMY FORCES, PACIFIC

Number 10

July 1946

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COMMANDER-IN-CHIEF
UNITED STATES ARMY FORCES, PACIFIC

SUMMATION
of
UNITED STATES ARMY
MILITARY GOVERNMENT
ACTIVITIES
in
KOREA

Number 10

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SECTION 1
POLITICAL ACTIVITIES

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ADMINISTRATION

Reorganization of the Department of Commerce

1. During July administrative developments within Military Government centered about reorganization of the Department of Commerce. Two new bureaus were established in the Department and the functions of the old Bureau of Labor were transferred to a newly created Department of Labor.

○ Labor Legislation

2. The new Department of Labor was set up by Ordinance No. 97. This ordinance also recognized the right of workers to form unions and to engage in collective bargaining.

Two New Bureaus

3. The reorganization distributed the functions of the old Bureau of Commerce to a new Bureau of Domestic Commerce and to a new Bureau of Foreign Commerce.

Foreign Trade

4. Beginning 1 August the Bureau of Foreign Commerce will receive applications for licenses to engage in foreign trade.

New Province

5. The island of Cheju-do and various small islands of the Chuja Archipelago were established as a separate province. This action removed the islands from the jurisdiction of Cholla-namdo.

POLITICAL AFFAIRS

Proposed Korean Legislative Body

6. The Military Governor of Korea proposed that a legislative body be established which would help determine the wishes of the Korean people in legislative matters. The proposed body would consist of members representing the major political parties and members elected to represent the various provinces.

LEGAL

Legislation

7. Announcement was made of nine ordinances officially promulgated since May and the dates on which they became effective.

PUBLIC SAFETY

Law and Order

8. The food shortage, heightened by the June floods and restrictions on travel due to the cholera epidemic, caused some demonstrations during July.

9. Trial of the alleged counterfeiters who were arrested some weeks ago opened on 29 July. Police repulsed an attempt to free the defendants.

10. The National Crime Laboratory disposed of 38 of 41 cases submitted.

Police

11. The National Police Academy graduated the first class of 55 policewomen on 12 July.

12. On 19 July the first class of commissioned police officers was graduated from the National Police Academy.

Prisons

13. On 22 July 122 men were graduated from the Prison Guard Training School after successfully completing a two-month course including criminal law, Military Government ordinances, Korean language, history, modern penology, fingerprinting and use of weapons.

14. Prison industries are now an integral part of the rehabilitation and vocational training program at all the prisons under the Korean Department of Justice.

Internal Security

15. Three regiments of the Korean Constabulary were officially commended during the month.

16. Measures were taken to reduce loss of life and property in floods and other emergencies in South Korea. Areas will be assigned to local teams for this purpose and necessary supplies and equipment will be provided.

SECTION 2

ECONOMIC ACTIVITIES

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NATURAL RESOURCES

1. Grain now growing in Kyonggi-do is not maturing well.
2. Inchon has been closed to fishing because of cholera.
3. Nearly all forestry work has stopped because transportation was allotted elsewhere.
4. Pyrophyllite and talc mines have been investigated.

COMMERCE AND INDUSTRY

5. The lack of technical skill, fuel, raw materials and spare parts and the disparity of wages and cost of living are hindering production.
6. American imports and technical assistance have enabled the Korean drug industry to produce various antiseptics and curatives.

Textiles

7. Ten thousand pounds of 14/21 denier raw silk are now being tested for suitability for export.
8. The price of autumn cocoons has been set at ¥ 250 per kwan (one kwan equals 8.27 pounds) and new egg sheets at ¥ 75.
9. Commercial egg stations have produced 92,000 sheets of a cross between Japanese and Chinese silkworm eggs, and the original stations are experimenting with other Japanese-Chinese crosses.
10. Twenty-two of the 25 cotton gins in South Korea are now under the control of the Department of Agriculture.
11. An estimated 11,798,000 pounds of hemp will be produced this season.

Transportation and Public Utilities

12. Heavy rains during late June seriously damaged the railroad system.
13. Construction work to improve Seoul's water supply system was begun.

Communications

14. Communication facilities were greatly damaged by the flood.
15. There is a great shortage of telegraph poles, vitally needed in flood areas and for rehabilitation work.
16. Mail service between the U. S. and Korea was started. Only letters and gift parcels are acceptable for delivery.

Labor

17. An ordinance was approved which established a Department of Labor and announced the labor policy of the Military Government.
18. A ¥ 200,000,000 work relief program was approved for South Korea.

Imports and Exports

19. Four food ships carrying a total of 37,000 long tons arrived in July.
20. Coal imports dropped to 22,788 tons.

Price Control and Rationing

21. Since rice supplies in Kyonggi-do and Kangwon-do were virtually exhausted early in July, the ration of wheat flour was increased. Summer grain collections lagged far behind the goal.
22. The Military Governor on 5 July announced a policy of combating inflation by reducing consumer prices and increasing production. On 15 July price ceilings were established on several consumer articles. In all major cities market prices of most cost-of-living commodities were higher than June prices.
23. The Federation of Financial Associations was designated National Commercial Agent under the Department of Commerce to purchase and distribute staple foods and certain consumer goods.

FINANCE

24. Bank of Chosen notes outstanding on 30 June totaled ¥ 9,422,399,000, an increase of ¥ 200,000,000 since 31 May.
25. Occupational currency "type A" is no longer legal tender for the payment of yen debts. Holders of this currency were required to deposit it in specified financial institutions during 1-10 July.
26. Transactions in which any person or political entity outside South Korea has an interest and transactions involving certain types of property owned, held or controlled by any person or political entity in South Korea were prohibited.

SECTION 3
SOCIAL ACTIVITIES

C O N T E N T S

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PUBLIC HEALTH AND WELFARE

1. Repatriation of Koreans from Japan to Kangwon-do and Kyonggi-do was resumed during the month.
2. Nursing textbooks from the Office of the Surgeon-General in Washington, D. C., and pamphlets published by American nursing organizations have been translated into Korean and are being used in South Korean nursing schools.
3. Korea received 28 tons of medical supplies from the United States and distributed them to 55 major hospitals, 780 small private hospitals, three leproseriums, 50 public clinics, dental colleges and accredited dentists.
4. In an effort to stop the spread of cholera the weekly exchange of mail between North and South Korea has been temporarily postponed.
5. After 1 August wholesalers will be authorized to sell medical supplies to pharmacies, drug merchants and public hospitals. After 15 August doctors and private hospitals will purchase from retail druggists but will be granted a 10 percent discount.
6. A charter for the newly inaugurated Korean Red Cross Society was adopted 27 July. It provides for the continuation of the Seoul Red Cross Hospital and clinics, additional health services, services to alleviate suffering caused by floods and other disasters, a Junior Red Cross program and a home nursing program.

EDUCATION, CULTURE AND RELIGION

7. A training school for community physical education directors was held at Seoul Normal College. A committee was formed to organize school and community physical education programs.
8. Faculty members of the proposed Provincial Summer Institutes attended the first term of the National Summer Institute. All phases of primary and secondary education were covered by the curriculum. Twenty-five percent of all teaching personnel are expected to attend one term of the Provincial Summer Institutes for teachers. All normal schools are offering a one-month course for elementary teachers. Credits earned will count for graduation requirements.
9. The Summer Music School opened. A special feature will be the series of lectures on rhythmic and the relation of physical education and music.

10. Textbook distribution in South Korea has reached a total of more than 3,047,500.

11. Eight missionaries arrived from America.

PUBLIC INFORMATION

12. The food problem was discussed through all media of information. Results indicate the great value of the education program on the prevention of cholera.

13. The first visual education programs utilizing film strips were presented in Seoul. These programs will be given in all provinces of South Korea.

14. A radio program "World News in Review" was inaugurated. All political parties were given radio time to present their policies to the public.

15. Press comment continued to center upon the topics of price control, food, unification and independence. New items which appeared were discussions of the proposed legislative body and foreign trade proposals. Papers' opinions were those of the various political parties. Hope for unification and independence were expressed.

COMMANDER-IN-CHIEF
UNITED STATES ARMY FORCES, PACIFIC

SUMMATION
of
UNITED STATES ARMY
MILITARY GOVERNMENT
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KOREA

Number 10

July 1946

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POLITICAL

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SECTION 1
GOVERNMENT AND POLITICS

C O N T E N T S

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ADMINISTRATION

Reorganization of Department of Commerce

1. During July administrative developments within Military Government centered about the reorganization of the Department of Commerce. Ordinance No. 97 transferred the functions of the Bureau of Labor of the Department of Commerce to a new Department of Labor and Ordinance No. 98 established two new bureaus within the Department of Commerce.

Department of Labor

2. The new Department of Labor will follow policies outlined in Ordinance No. 97. This ordinance encourages labor organizations and peaceful collective bargaining resulting in written contracts specifying wages, hours of work and other conditions of employment. It recognizes the workers' right to form and join unions, to give and receive assistance from other labor organizations and to designate representatives in collective bargaining.

Two New Bureaus

3. Under Ordinance No. 98 the functions of the old Bureau of Commerce were reallocated to the new Bureau of Foreign Commerce and the Bureau of Domestic Commerce.

The Bureau of Foreign Commerce will develop, stimulate, license and control the import and export of commodities. The Bureau of Domestic Commerce will set standards of weights and measures and regulate internal economy in accordance with the programs of the National Economic Board.

Conference of Provincial Governors

4. Provincial governors, meeting at Seoul on 11 and 12 July, discussed the objectives and policies of the reorganized Department of Commerce. The director and other representatives of the Department discussed foreign and domestic commerce, labor, public works, mining and other industries.

The Department's director told the conference that Military Government's economic policies had passed through the phase of "improvisation" and that the Government is now endeavoring to achieve an "interim stabilization" which will assure maximum production and effective distribution of basic commodities at stabilized prices.

Licensing of Foreign Trade

5. Beginning 1 August the Bureau of Foreign Commerce will receive

applications for licenses to engage in foreign trade. Application forms will be available at the Bureau's office in Seoul, in the ports of Inchon, Kunsan, Mokpo, Mukko and Pusan and in the offices of provincial military governors.

Holders of licenses must obtain a bureau permit authorizing each specific transaction.

Commanding General, USAFIK, on Foreign Trade

6. The following statement was issued by the Commanding General, USAFIK, on the trade of American companies in Korea:

"The Korean people have been concerned, as I have been, with the reports from the United States during the past few days regarding the alleged establishment of American companies to engage in import-export trade with Korea within the next '30 to 60 days.'

"I assure the people of Korea that USAFIK has had no previous or official information regarding this alleged anticipated trade with Korea.

"Specifically, the American World Traders Export-Import Company, recently in the news, has not applied for nor has it received any license for trade with Korea. Furthermore, no request has been received by this headquarters for representatives of this company to proceed to Korea.

"I assure the Korean people that I will be consulted before any import-export trade arrangements are concluded for South Korea. I also assure the Korean people that I will not permit any exploiting of South Korea by large firms or monopolies.

"Any import-export arrangements that are set up for South Korea prior to the establishment of the Korean Provisional Government under the Moscow Decision will be made through the Department of Commerce and the Economic Board of Military Government, and will be for one purpose only, namely to benefit Korea, Koreans and Korean economy."

New Province

7. The island of Cheju-do and various small islands of the Chuja Archipelago were established as a separate province. This action restored the islands to the provincial status held prior to 1906 and removed them from the jurisdiction of Cholla-namdo where they had been placed under Japanese administration.

POLITICAL AFFAIRS

Proposed Korean Legislative Body

8. On 29 June the Military Governor of Korea proposed that a legislative body be established which would help him determine the wishes of the Korean people in legislative matters.

The proposed legislative body would consist of members representing the major political parties and members elected to represent the various provinces. It would have the power to enact ordinances which, when approved, would have the force and effect of law. It would have the power to screen past appointments of Koreans to important jobs in Military Government and to confirm future appointments.

The Military Governor felt that such a body would provide an opportunity for the Korean leaders to obtain practical experience in handling the kind of problems which will confront them when the Provisional Government is formed through the U.S.-Soviet Joint Commission.

SECTION 2
LEGAL AND PUBLIC SAFETY

C O N T E N T S

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LEGAL

Legislation

1. Legislative measures officially promulgated since May with effective dates are as follows:

- No. 91 Not published.
- No. 92 Elimination of Inspection Functions of the Office of Civil Administrator.
Effective 16 May.
- No. 93 Foreign Exchange Control.
Effective 4 July.
- No. 94 Establishment of Cheju Province.
Effective 30 July.
- No. 95 Deposit of Supplemental Military Yen.
Effective 1 July.
- No. 96 Amending Drug and Drug Business Regulations.
Effective 25 July.
- No. 97 Public Policy in Labor Matters Declared;
Department of Labor Established.
Effective 23 July.
- No. 98 Bureaus of Foreign Commerce and Domestic Commerce
Created in Department of Commerce.
Effective 21 July.
- No. 99 Postal, Telegraph and Telephone Rates.
Effective 14 July.

PUBLIC SAFETY

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LAW AND ORDER

Meetings and Demonstrations

2. A strike by employees of the Korean Truck Company resulted in injuries to 60 persons and the arrest of 150. The demonstrators protested a Military Government order to turn over their trucks to the Seoul Electric Company to be used for public transportation.

3. Food demonstrations, in some instances politically inspired, occurred throughout South Korea during July. Contributing factors were the floods which hampered all transportation and the restrictions on travel imposed as the result of the cholera epidemic.

Trial of Alleged Counterfeiters

4. Trial of the alleged counterfeiters who were arrested some weeks ago commenced at Seoul on 29 July. An attempt by a large group of sympathizers to free the defendants was repulsed by the police. One person received fatal injuries.

National Crime Laboratory

5. The National Crime Laboratory completed investigation of four cases in which three Koreans died after drinking poisonous liquor.

6. The Laboratory disposed of 38 of the 41 cases submitted during July.

POLICE

Reorganization Under United States Army Military Government

7. Reorganization of the police began soon after the advent of Military Government. Not only national but provincial and local police organizations were thoroughly revamped to conform to democratic ideologies pertaining to public protection and law enforcement.

8. Elimination of oppressive and undemocratic activities followed. On 29 September 1945 the Bureau of Peace Preservation was abolished and on 24 October 1945 the Bureau of Economic Police was eliminated.

9. The urgent need for police was met by the immediate recruitment of 1,500 Koreans. A police academy was established and training began on 15 October 1945.

10. Dr. Chough Pyong Ok, now Civilian Director of Police, was appointed the first Chief of Police Affairs.

11. By November the police force numbered 15,000. By December it was an effective instrument of law and order.

Policies and Objectives

12. On 4 March a Military Government directive defined the organization of the National Police of Korea:

The Police of Korea are organized on a national basis:

- (1) To standardize organization, methods, procedure, pay and promotion.

- (2) To facilitate rapid and general mobilization for emergencies and disasters.
- (3) To eliminate jurisdictional disputes and petty jealousies.
- (4) To eliminate political influence.
- (5) To guarantee the impartial enforcement of the law.
- (6) To eliminate the possibility of the police joining any group individually or collectively.

The Director of Police has two main objectives:

- (1) To retain such good practices of the police system as existed under the Japanese and to add police practices necessary for a progressive democratic nation.
- (2) To require Koreans to assume progressively the responsibility of supervision in order that full management of the police by Koreans may be accomplished in the shortest possible time.

13. The Divisional Chief of Police informs the Provincial Governor of all matters of importance occurring within the province and on all matters of importance referred to him through police channels.

14. The Provincial Military Governor will be assisted in carrying out his responsibility in every way possible.

Establishment as Separate Agency

15. Ordinance No. 63, promulgated on 8 April, separated the Department of Police from the Department of National Defense.

16. On 20 April the responsibility for fire-fighting, previously under the Department of Police, was placed under the administration and control of local governments. A National Board of Fire Commissioners was created within the Public Works Bureau of the Department of Commerce; Fire Commission Boards were set up in the provinces; and thenceforth the Department of Police handled police functions only.

17. Effective 15 April the National Police of Korea was established consisting of a National Headquarters at Seoul and eight divisions headed by chiefs corresponding to the former provincial chiefs of police.

Police Divisions

18. Police divisions are coextensive with provinces. See Chart 1, page 17.

19. The area of jurisdiction of each division was divided into districts, each headed by a district commander with the rank of captain and corresponding to the former local police chiefs.

20. Outside the metropolitan areas groups of five or more districts are combined into inspection commands headed by an inspector. This grouping of districts into inspection commands is prescribed by the chief of division according to geographical conditions, road-net and communication facilities.

21. Division and district headquarters were named as normal offices of record, and inspection command headquarters were directed to keep only minimum records and staff.

Detective Bureau

22. The Detective Bureau, established on 11 January 1946, includes all personnel of the National Police other than members of the uniformed force.

23. The Bureau at Seoul maintains a central office staff, a criminal information section, a criminal identification section and other sections as dictated by necessity and approved by the Director of the Bureau of Police. See the accompanying chart.

24. A detective unit is maintained at each provincial police headquarters under a commanding officer appointed by the chief of division with the approval of the Director of the Bureau of Police. A detective squad is operated from each district police station.

25. All criminal investigations are conducted by detective personnel of the provincial detective units and station detective squads, except such special investigations assigned by the Director to the central office staff of the Detective Bureau.

26. The strength of the Detective Bureau, as organized, is not to exceed 15 percent of the authorized strength of the National Police Force. All appointments to the Detective Bureau are made from the uniformed force. Efficiency determines tenure of assignment.

27. The ratio of detective ranks follows: A chief of the Detective Bureau at National Police Headquarters and one superintendent per province, each with an inspector as assistant; one captain per three lieutenants, one lieutenant per five sergeants and one sergeant to every eight detectives.

28. Members of the Detective Bureau in the rank of patrolman receive the pay of patrolmen of the uniformed force plus 50 percent of the difference in pay between a patrolman and a uniformed sergeant. The chief of the Detective Bureau has the rank and pay of a chief of division. All other detective ranks receive pay equal to their equivalent ranks in the uniformed division.

29. Direct communication between National Police Headquarters and provincial detective units and from divisional units to district squads is authorized for routine investigative matters and Detective Bureau procedure.

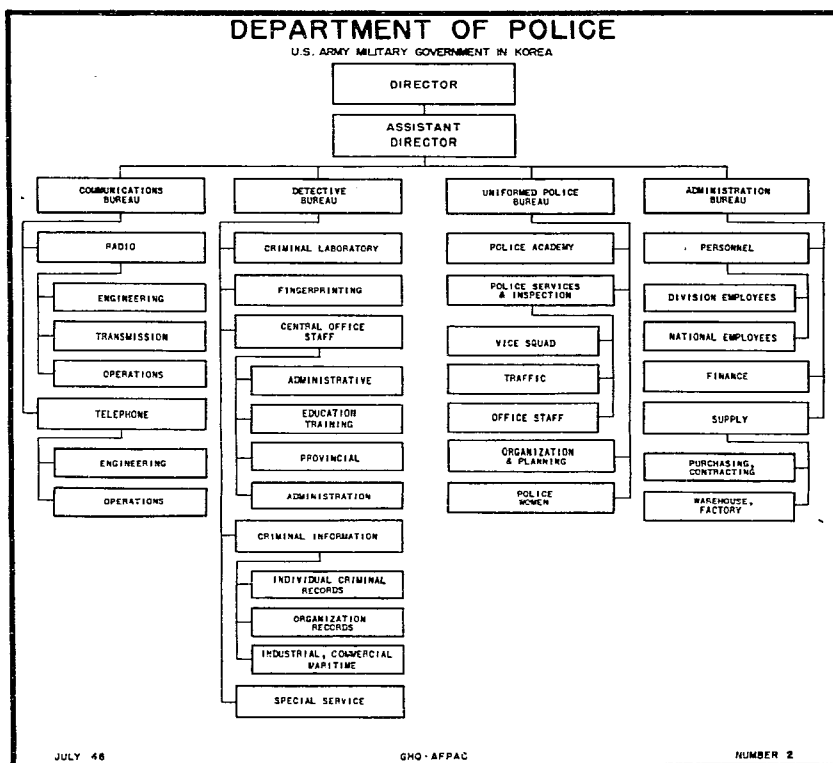
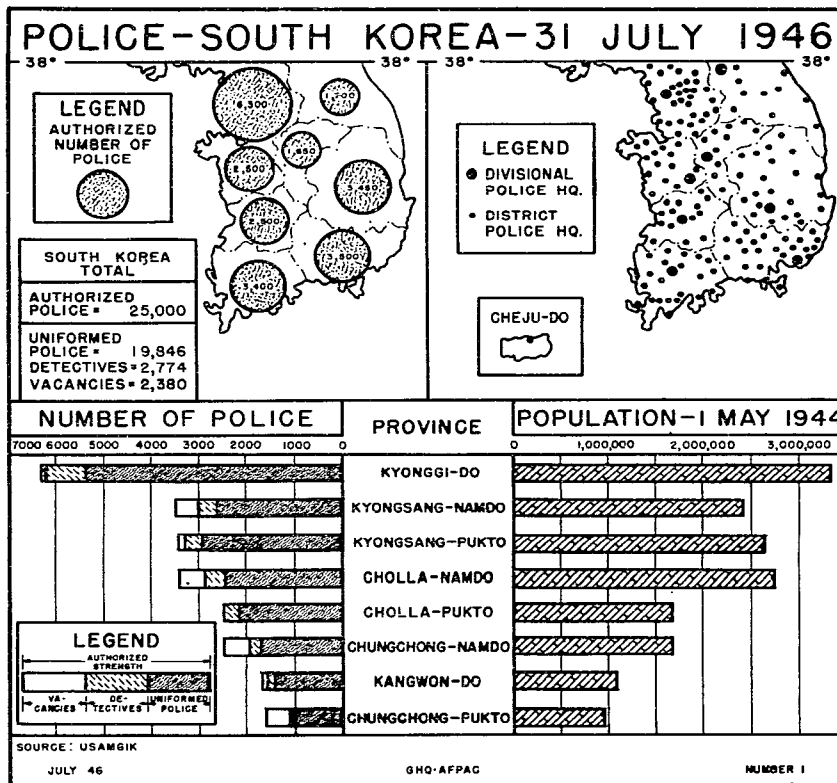
Communication Bureau

30. A network of telephone lines is leased from the Department of Communications for police use. Pending construction of new telephone facilities, the Communication Bureau has procured and installed radio facilities to supplement inadequate toll circuits.

Telephone Network

31. Voice transmission is used exclusively over a carrier channel installed during the war by the Department of Communications between Seoul and Pusan.

32. All messages are handled in English except on the Seoul-Pusan circuit, which still uses the Japanese language because suitable English-speaking operators are not yet available in Pusan.



33. All long toll lines maintained by the police pass through Department of Communications repeater stations.

34. Telephone personnel employed by the Department of Police are divided into four classes: (1) engineers with college degrees, (2) police technical assistants, (3) technicians trained in telephone work and (4) switchboard operators.

Radio Facilities

35. The first police radio station began operating in December 1945 and the radio network, now consisting of eight stations, is still expanding.

36. Equipment for the police radio network was obtained from the Department of Communications and consists of former Japanese Army and Navy sets.

37. The eight transmitters employed range from 30 to 250 watts.

38. Call signs and frequencies of the Japanese air raid warning system which connected Seoul and the provincial capitals were assigned temporarily to the Communication Bureau of the Department of Police.

39. The police plan to continue use of the radio network for emergencies even after complete rehabilitation of wire facilities has been effected.

Police Training Program

40. The Uniformed Bureau of the Department of Police trains and equips personnel for the National Police organization. The police are trained for the following duties:

- (1) Suppression and prevention of lawlessness, control of crowds and traffic.
- (2) Enforcing the law.
- (3) Safeguarding the public.

41. To prepare personnel for this mission, the Uniformed Bureau was organized into four sections, as shown in Chart 2, page 17.

42. The National Police Academy at Seoul, founded by the Japanese 40 years ago, admitted only Japanese students prior to the arrival of American Forces.

43. After the dismissal of the Japanese faculty an investigation disclosed that the large yearly appropriation to the school had been divided up among the faculty members. The school consequently was sorely in need of equipment and repairs.

44. Since the inception of the recruitment program in September 1945 3,000 candidates have successfully completed training.

Qualifications of Police Candidates

45. Minimum requirements for candidates for the National Police in South Korea were established 19 December 1945. Candidates must be 22 to 35 years of age, of sound physical condition and with no objectionable characteristics or background.

46. Applicants must be Korean nationals, have three years of middle school, agree to serve three years and must not have been convicted of a crime under Korean law.

47. The Provincial Chief of Police may approve reinstatement of former police officers if the applicant's record was good and his previous duty terminated under favorable conditions.

Provincial Police Schools

48. In January provincial police schools were instituted. Each division's police schools operate under the orders and directions issued by the National Academy. Students of the National Police Academy are selected from among applicants in the provinces.

49. Twelve courses of instruction at the National Police Academy include military training and administration, police administration, police report writing, criminal law, military law, jujitsu, use of the police stick or baton, identification and fingerprinting, investigation, sanitation and first aid, rifle instruction and range firing and military drill.

50. During the course Military Government personnel affiliated with the police lecture on special subjects.

51. The first class in the National Academy began training on 16 October 1945, graduating 480 students on 19 November 1945.

52. The first class of commissioned police officers was graduated from the National Police Academy on 19 July 1946.

Policewomen's Division

53. The training of policewomen began on 10 June, a Policewomen's Division having been authorized by the Military Governor on 20 April. On 12 July the National Police Academy graduated 55 students.

54. Applicants for this Division must be between the ages of 25 and 45, at least 4' 7" tall, have no physical disabilities and must have completed at least three years of middle school. Applicants are given strict medical examinations. Single women or widows are preferred but married women are accepted with the written consent of their husbands.

Winning Public Support

55. To win the confidence of the public, rigid rules guiding the behavior and appearance of the police were established. Orders were issued stating that a police officer must wear the uniform prescribed for his rank when appearing in public.

56. On 18 March National Police Headquarters issued a directive forbidding the arrest and detention of persons without cause and the detention of persons without evidence or legal violations.

A bulletin was issued by the Department warning the police that:

- (1) Police have no punitive powers. The courts award punishment in all cases in the form of fines or imprisonment or both.
- (2) A policeman may use only sufficient force on the body of a person to effect an arrest, to protect himself from injury, or to prevent injury to others.

- (3) The abusive practices formerly used by the police under the Japanese will not be tolerated in the new National Police of Korea. Any policeman found abusing his authority will be dismissed from the police and charged before a court when circumstances warrant.
- (4) Police should exhibit no signs of personal interest or satisfaction in making an arrest.

PRISONS

Prison Guard Training

57. On 22 July 122 men were graduated from the Prison Guard Training School. The two-month course included criminal law, Military Government ordinances, Korean language, history, modern penology, fingerprinting and use of weapons.

Prison Industries

58. Prison industries operated in Korea even during the Japanese occupation. At each of the prisons under the jurisdiction of the Korean Department of Justice, industries are now an integral part of the rehabilitation and vocational training program. Old and new skills are taught to prisoners to expedite their reorientation in society.

59. Goods produced by prison workmen now augment outside production. Stimulating prison industries is part of Military Government's aim to develop capacity production in light industry. See chart, page 21.

Food Production on Prison Farms

60. All prisons under the Department of Justice have operated farms for years to give healthful employment to inmates meriting such freedom. These farms provide food for prisons.

61. The present lack of farming equipment and fertilizer lowers production and makes the prisons partially dependent upon other sources of food.

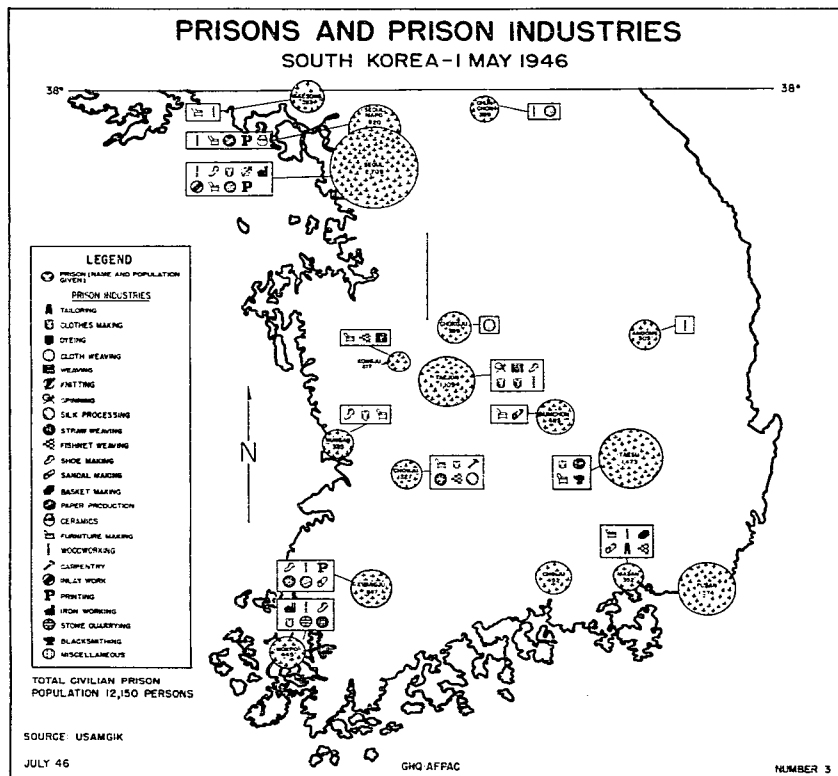
62. Current facilities consist of approximately 485 acres of tillable fields and 913 acres of paddy land distributed among 183 prisons. These lands are hand worked.

INTERNAL SECURITY

Korean Constabulary

63. Three regiments of the Korean Constabulary were officially commended:

- (1) Third Regiment for displaying "unusual initiative, tact, courtesy and a high standard of discipline" for repatriation work at the Kusan Repatriation Center.
- (2) Fifth Regiment for "extraordinary services in cholera control activities" at Pusan.
- (3) Sixth Regiment for "heroic action at Taegu" in helping to prevent the flooding of four villages there during the 26-29 June floods.



Flood Control

64. Measures have been taken to reduce loss of life and property in flood and other emergency conditions. Areas will be assigned to leaders of local teams authorized to impress labor in emergency, reinforce levees, erect sandbag barricades and take other means to control flood waters.

65. Emergency water-sterilizing chemicals will be kept on hand at strategic points throughout the provinces. Reserve sanitary and medical supplies will be stored at selected points. Evacuation and hospitalization centers have been selected, with authority to requisition buildings where necessary. Each critical area will maintain a seven-day supply of food.

Relief Association

66. Tong Yul Riu, Director of the Department of Internal Security, donated his salary for June to the Korean Constabulary and Coast Guard Relief Association. Funds of the Association may be borrowed by members of the Constabulary and Coast Guard to meet emergency personal or family needs. The Association is a self-supporting, non-political group.

COMMANDER-IN-CHIEF
UNITED STATES ARMY FORCES, PACIFIC

SUMMATION
of
UNITED STATES ARMY
MILITARY GOVERNMENT
ACTIVITIES
in
KOREA

Number 10

July 1946

PART III

ECONOMIC

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SECTION 1

NATURAL RESOURCES

C O N T E N T S

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Mining	9

AGRICULTURE

1. Grain now growing in Kyonggi-do has a bad color, germination is about five percent and the kernels are small and immature. Yields will be small.

Education

2. The Anyang Forestry Experiment Station held a meeting 10-12 July to discuss seedling growing.

3. Radio broadcasts have instructed farmers in the use and processing of native grass for hay

Livestock

4. Authority must be obtained from the Gun (county) officer to slaughter swine so as to prevent too great a number from being slaughtered.

FISHERIES

5. The Governor of Kyonggi-do has closed the port of Inchon and vicinity to all fishing operations until further notice as a cholera control measure.

6. Fishing guilds received 21,500 bundles of Japanese bamboo. Each bundle contains from three to 10 pieces of bamboo, depending on the size of the bamboo.

7. The Department of Finance approved a loan of ¥ 3,000,000 for the South Korea Fishing Company. The Bank of Chosen will advance the money whose repayment is guaranteed by the Military Government. The South Korean Fishing Company operates about 44 fishing boats in Kyongsang-namdo.

FORESTRY

8. Practically all forestry work stopped in early July because transportation was diverted to cholera control, grain control and emergency food distribution. The resulting shortage of lumber will be an indirect effect of recent floods.

MINING

Coal

9. June coal production in Kyongsang-pukto was:

<u>Mine</u>	<u>Production (metric tons)</u>
Kung Sung	2,254
Kyong Ju	1,002
Ulsan	1,128

Recent floods filled the Kyong Ju mine's lower levels.

Pyrophyllite

10. Pyrophyllite has been reported in 30 Korean localities, of which 27 are in the American zone. Twenty-two are in Kyongsang-namdo and five are in Cholla-namdo.

In 1944 Korea produced 41,211 metric tons of pagodite, a variety of pyrophyllite, with 40,011 tons coming from South Korea. Nine of the 27 South Korea mines were in operation.

Talc

11. There are three talc mines and one talc mill near Chung-ju, Chungchong-pukto. The Sonman mine is the largest. It yielded about 450 metric tons of talc per month under Japanese supervision, but was idle during late 1945 and early 1946. About 1,350 tons of talc is stockpiled near the mine. There is an unmined reserve of about 2,000,000 tons of good quality talc.

The Gnoson mine exploits the same body of talc and is also idle. It has nearby stocks of about 20 tons.

The Jon Hyon Chik talc mill could be placed in operation after a few minor repairs. Stockpiles amount to 49.5 tons of powdered talc and 608 tons of talc ore.

SECTION 2

COMMERCE AND INDUSTRY

C O N T E N T S

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INDUSTRY

1. Lack of technical skill, machinery, replacement parts and the shortage of raw materials limit industrial recovery. Because of high food costs, some plants feed or partially feed employees in addition to paying them wages.

2. A survey of factories in South Korea showed that on 30 April 1,083 plants were operating. Of these plants only 213 employed more than 50 persons. Chart, page 28, shows the number of factories and employees by industry.

Food Processing

3. Reports from Kyongsang-namdo show that there are 13 food processing plants in operation. Six others are closed due to the lack of raw materials.

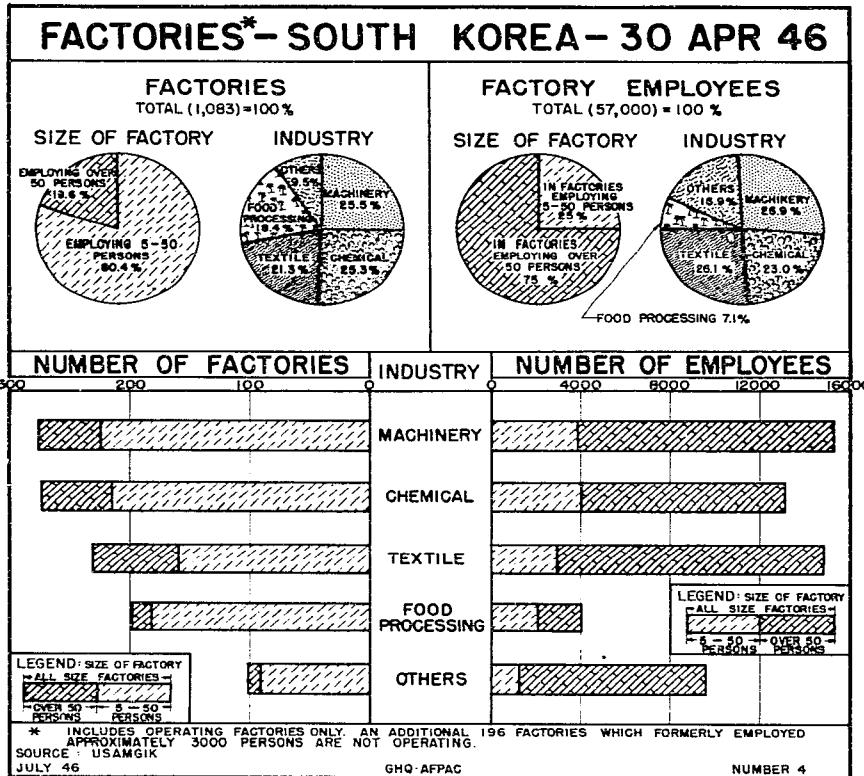
A loan of ₩ 11,000,000 to the Taka Naka Company was approved for the summer canning of peaches, ham, pork, mackerel and sardines.

Paper

4. Ninety-three percent of all paper mills in South Korea are now operating, depending largely on local sources of raw materials.

Drug Industry

5. American imports and technical assistance are helping the Korean drug industry to recover.



6. American doctors have trained Koreans as technicians to operate these factories and laboratories. Korea is making ether, adhesive tape, glucose for injection, cough syrups, headache powders, stomach remedies, iodine and many more items of antiseptic and curative powers.

TEXTILES

Cotton

7. It is planned to re-establish the cotton industry of Korea under national supervision. Twenty-two of the 25 cotton gins in South Korea are now operating under the Department of Agriculture.

8. Production of cotton cloth at the Kwangju Textile Mill has increased from 3,200 to 18,000 yards daily. This plant is expected to reach daily production of 30,000 yards by fall.

Actual production was resumed last November after extensive repairs to the machinery. Fifteen hundred trained employees now work one eight-hour shift.

Silk

9. An estimated 10,000 pounds of 14/21 denier raw silk in skeins is now being tested at the Silk Conditioning House.

10. The price of autumn cocoons has been set at ₩ 250 per kwan (one kwan equals 8.27 pounds) for common cocoons and ₩ 75 for new egg sheets.

11. The commercial egg stations in Kangwon-do have produced 92,900 sheets known as "F-1," a cross between Chinese and Japanese eggs. The original egg stations are testing four classes of eggs known as "Japanese 112," "Japanese 115," "Chinese 110" and "Chinese 108" to develop new varieties of eggs.

12. Three thousand pounds of mulberry seeds were distributed in South Korea during July.

13. Of the 123,000 mulberry seedlings imported from Japan last spring 77,500 are growing in good condition while 45,500 spoiled due to the long trip from Japan during which they were subject to adverse weather.

Hemp

14. It is anticipated that 11,798,000 pounds of hemp will be produced this season, 3,696,000 pounds of which are to be distributed to factories and other commercial consumers and 8,101,000 for use on farms.

TRANSPORTATION AND PUBLIC UTILITIES

C O N T E N T S

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RAIL TRANSPORTATION

Flood Emergency Measures

15. Heavy rains in the latter part of June washed out many kilometers of track and five bridges, suspending rail traffic between Seoul and Pusan. Emergency food and other supplies were shipped to Pusan and other ports from Inchon.

Thirty-five hundred Korean railroad workers, working on a round-the-clock schedule under U. S. Army supervision, have repaired much of the damage.

Operations

16. On 16 July all trains except the Korean Liberator were operating.

17. Travel restrictions were instituted to help check the spread of cholera. These restrictions and the loss of traffic caused by floods resulted in the operating loss of ₩ 100,000,000 during June and July.

WATER TRANSPORTATION

Smuggling

18. Five ships which had been illegally transporting Koreans to Japan were caught in Japanese waters and returned to Pusan under U. S. naval escort.

Seven hundred seventy-eight persons, both passengers and crews, are to be tried in the case.

PUBLIC UTILITIES

Water Supply

19. The Military Government appropriated ¥ 20,000,000 for the improvement of Seoul's water supply system. Two filters are under construction and reservoir capacity is being increased.

COMMUNICATIONS

C O N T E N T S

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TELEPHONE AND TELEGRAPH SERVICE

Restoration - Flood Damage

20. On 2 July telephone service was restored to all routes on a temporary basis.

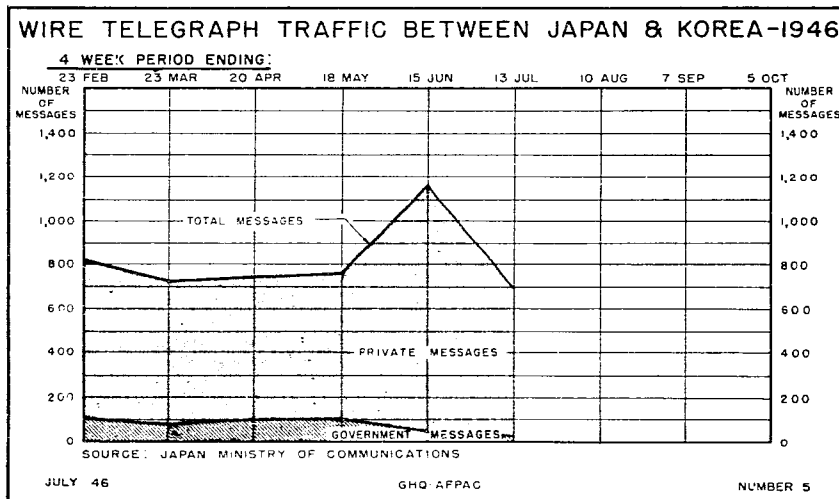
By 6 July all police circuits were working except those in Chungju and Chonju.

South Kangnung Telegraph Service

21. The rehabilitation of approximately three fourths of the South Kangnung Telegraph Service has been completed.

Korea - Japan Telegraph Traffic

22. The accompanying chart shows the trend in wire telegraph traffic between Korea and Japan for successive four-week periods ending 13 July.



Telegraph Poles

23. Conferences on the allocation, supply and priorities of telegraph poles were held by representatives of the Forestry Bureau, Korea Electric Power Company, South Korea Electric Company, Seoul Electric Company, the Department of Communications, the Department of Transportation and the Department of Police.

First priority goes to flood damaged installations and to rehabilitation of surface overhead lines.

Vocational Training

24. On 20 July 162 students were graduated from the Vocational Training School as telegraph operators and postal clerks. These graduates have been dispatched to posts throughout South Korea.

25. To train skilled technicians an electric communications technical course began on 15 July with 26 students.

The 18-month course includes the study of Korean, English, advanced mathematics, physics and technical subjects related to electricity, radio and telegraphy.

POSTAL SERVICE

Mail Between U. S. and Korea

26. Effective 4 July mail and gift parcel service was resumed between the United States and Korea. Registered, special delivery, insured, airmail and money order services are not available at this time. Mail may be addressed in Korean, English, Russian, French, Spanish, Chinese or Japanese.

27. The first shipment consisting of 740 letters and cards left Inchon on 25 July on the USS Cape Fairweather. At present such mail is to be sent every two weeks.

28. The gift parcel service will be subject to the following

U. S. restrictions:

- (1) Parcels may not exceed 11 pounds.
- (2) Only one parcel per week may be sent by or in behalf of the same sender to or for the same addressee.
- (3) Contents of gift parcels are limited to essential relief items such as nonperishable food, clothing, soap and mailable medicine.
- (4) Parcels must be conspicuously marked "Gift Parcel" by the sender, who must itemize the contents and value on the customs declaration.

Parcels which cannot be delivered will be turned over to an authorized Korean relief agency.

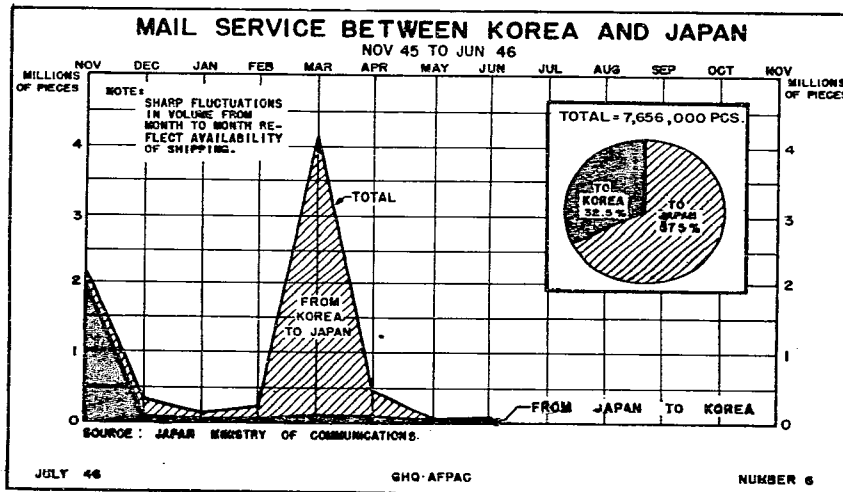
Kangnung Mail Run

29. The mail run to Kangnung, suspended because of the floods, was re-established at the end of July.

Exchange of Mail

30. There were two mail exchanges, on 1 and 8 July, between North and South Korea. Other exchanges were postponed because of the cholera epidemic.

31. The accompanying chart indicates the volume of mail exchanged between Korea and Japan from November 1945 through June 1946.



Postal Savings

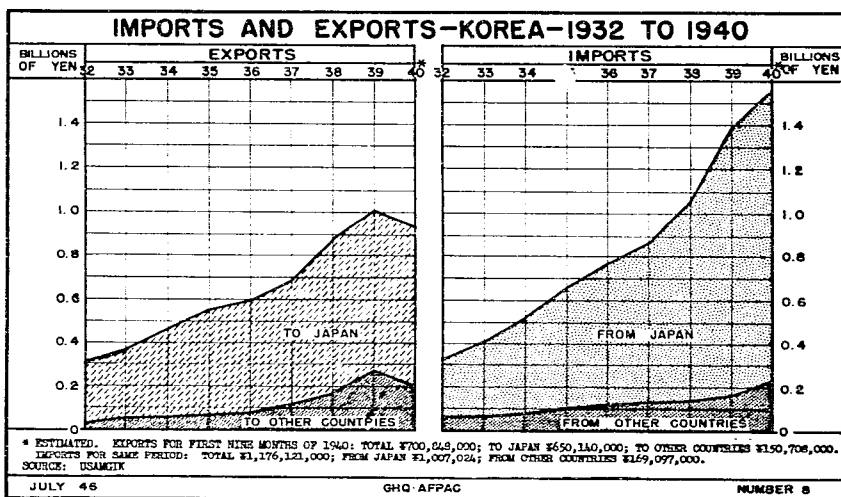
32. The following chart shows postal savings deposits and withdrawals from 25 May to 26 July for four major post offices and the total monthly balance from February to June for South Korea.

IMPORTS AND EXPORTS

38. The Bureau of Foreign Commerce was organized to re-establish foreign trade and guide development in the best interests of the Korean economy. After 1 August no individual or firm will be permitted to engage in foreign trade without a license from the Bureau.

39. Imports in 1946 have consisted largely of repair parts for the rehabilitation of basic industries, coal and other critical items from Japan, and foodstuffs from the United States. Exports were negligible.

40. Because of Japanese domination prior to the war 83 percent of all Korean overseas trade was conducted with Japan. The following chart compares trade with Japan and other countries for eight years before the war:



41. The following table gives the yen value of the principal items of import and export during the January and September period of 1939 and 40:

IMPORTS
(thousands of yen)

	<u>1939</u>	<u>1940</u>
Barley and rye	1,288	20,988
German millet	17,351	15,114
Millet	2,025	5,679
Soya beans	7,828	22,528
Sugar	10,197	9,321
Vegetables	9,389	16,119
Fruits	7,610	15,172
Fresh and dried fish	6,093	7,868
Ginned cotton	7,879	6,440
Raw silk	12,509	6,849
Woolen tissues	17,144	11,671
Silk tissues	<u>25,435</u>	<u>44,288</u>
Carried forward	124,748	182,037

	<u>1939</u>	<u>1940</u>
Carried forward	124,748	182,037
Rayon tissues	22,280	8,060
Staple fiber tissues	24,650	15,967
Clothes	16,251	16,910
Papers	17,244	20,213
Coal	27,570	38,311
Coke	6,447	7,930
Ceramics	8,666	10,358
Nails	7,249	7,119
Electric wire	6,085	7,570
Machinery	101,721	129,276
Fertilizer	21,279	19,737
Others	<u>623,298</u>	<u>712,633</u>
Total	1,007,488	1,176,121

EXPORTS
(thousands of yen)

	<u>1939</u>	<u>1940</u>
Beef	7,697	8,449
Rice	139,765	9,079
Beans	16,653	29,793
Fresh fish	7,471	10,715
Dried fish	5,340	9,444
Dried laver	8,976	15,849
Other marine products	7,226	11,594
Soap	6,645	5,709
Carbide	2,446	6,251
Glycerine	2,465	6,251
Ginned cotton	9,145	15,078
Raw milk	13,217	21,201
Cotton tissues	10,482	5,523
Rayon tissues	9,393	5,217
Pulp	7,030	6,891
Coal	9,000	17,067
Fish powder	7,202	14,157
Fertilizer	35,966	38,393
Others	<u>443,588</u>	<u>464,187</u>
Total	749,707	700,848

Imports

42. The following table shows materials shipped from Japan to Korea during June and the first two weeks of July together with total shipments for 1946:

IMPORTS FROM JAPAN

Commodity	Unit	Shipments 1946		
		June	1-15 July	Jan-15 July
Alcohol, industrial	drum	10		10
Aluminum sulfate	MT	634	126	1,269
Apparatus, electrical	MT		10	10
Bamboo	bdl	42,846		63,634
Bicycle parts	cs		937	937

Commodity	Unit	Shipments 1946		
		June	1-15 July	Jan-15 July
Calcium carbonate	Meas T	130		130
Cars, motor	ea	2		2
Chlorine liquid	MT			12
Cloth				
Cotton	sq yd		981,795	981,795
Silk	sq yd		148,715	148,715
Wool	lin yd		26,000	26,000
Coal	MT	70,000	17,500	408,869
Cutouts, outdoor	ea	50		50
Cutters, cloth	set	3		3
Film, X-ray	sheet	8,016		8,016
Headlights	cs		16	16
Ink, printing	lb	800		800
Lamp, electric	cs		37	37
Magnesium carbonate	MT			30
Needles, cutting	pc			500
Paper, cigarette	lb	130,134		395,818
Pitch	MT			18,426
Poles, telephone	pc		3,000	3,000
Pyrethrum flowers	MT			85
Salt	MT			4,000
Seeds, vegetable	kg	32,750		32,750
Seeds, mulberry	lb			3,000
Seedlings, mulberry	pc			910,000
Soda ash (sodium carbonate)	MT			60
Soda sulfate (Glauber salt)	Meas T	5.6		5.6
Sodium amide	kg			100
Sodium bicarbonate	MT			5
Sulfur	MT	510		510
Transportation equipment				
Locomotives				
Electric	ea			1
Gasoline	ea			5
Steam	ea		2	3
Locomotive tender	ea			2
Locomotive parts				
Frame, main	set			6
Motor, electric	ea	6		6
Motor accessories	ea	1		1
Tender	ea	2		2
Tender frame	ea	2		2
Tender truck	ea	1		1
Tires, locomotive	pr	292		292
Truck, leading	ea	1		1
Tubes, boiler	lb			10,897
Wheel and axle	pr	80		80
Switch system parts	box			28

The salt listed above was actually shipped from China, but as it was diverted from quantities originally scheduled for Japan it is considered an import from Japan.

43. Four food ships carrying a total of 37,000 long tons arrived in July. There were 5,000 long tons of miscellaneous foodstuffs, 24,000 long tons of wheat and 8,000 long tons of corn.

44. The following chart shows a drop in coal imports in July:

On 6 July the National Food Administration announced that rice would be omitted from the ration for 10 days and the flour ration would be increased to 180 grams.

Summer Grain Collection

46. Government collections of summer grains during July were 1,195,598 bushels, compared with a goal for the month of 6,598,391 bushels. Purchase, warehousing and distribution of summer grains were assigned to the Federation of Financial Associations, which has been designated a National Commercial Agent under the Department of Commerce. The Financial Associations placed paying agents at the grain collection points so that farmers can be paid immediately upon turning in their grain. Farmers who sell their summer grains to the Government will receive priority on certain consumer goods produced in May, June and July.

Survey Groups

47. Representatives of the Department of Agriculture and the National Food Administration were organized into four groups to investigate the condition of crops and the progress of the summer grain collection. Field trips began 23 July.

Imported Foods

48. To supplement the short supply of domestic staples 37,000 long tons of grain and other foods were received from the United States in July. These imports included whole grain, flour, canned goods and other foodstuffs.

School Lunches in Seoul

49. An investigation of the meals fed to school children was made by the Department of Public Health and Welfare and the Seoul City Welfare Bureau. The hot school lunch priced at ₩ 3 consists of a bowl of mixed rice and millet and a bowl of vegetable soup. On certain days the pupils may buy a piece of bread for ₩ 1.

Distribution of Salt

50. A permanent plan for the distribution of salt went into effect on 1 July. The plan provides for: a uniform price of ₩ 510 per 60 kilograms of common salt throughout South Korea; government transportation from the salterns to the retail stores to reduce operating costs; and higher prices to private salt manufacturers to stimulate production.

PRICE CONTROL

51. On 5 July the Military Governor announced his program for meeting the rising cost of living. His statement follows:

"My attention has been called to the plight of many Korean citizens whose incomes barely cover the daily necessities of life—food, clothing, shelter and fuel.

"It is my firm conviction that the solution to the problem is not higher wages, but a reduction in the prices of consumer goods.

"When the supply of goods fails to meet the demand, prices invariably increase unless checked by some form of price control. That control should then be maintained until production of needed

goods is sufficient to cause a reduction in prices of their own accord.

"I have instructed the National Price Administrator to take such steps as are necessary to lower the selling prices of consumer goods. Production of such goods will be increased to the maximum possible with the raw materials and production facilities that are available."

Action by the National Price Administration

52. The National Price Administration is preparing a maximum price list applicable throughout South Korea on items manufactured largely in government-controlled factories and to be distributed primarily through government-controlled channels until production is sufficient to permit commercial trade.

Price Ceilings

53. On 15 July price ceilings for cotton cloth, shoes, soap, matches, electric light bulbs and bicycle tires and tubes went into effect. Merchants are required to post the established ceiling prices and domestic barter of articles covered by the price regulation is prohibited. The ceilings established are given in the table below.

PRICE CEILINGS ON CONSUMER GOODS
Effective 15 July

<u>Article</u>	<u>Ceiling Price</u> <u>(yen)</u>
Tennis shoes and rubber shoes	
Men's	45
Women's	35
Children's	30
Zikatabi shoes	
White	55
Black	60
Cotton cloth (yard)	
Shirting	30
Sheeting	33
Light twill	38
Heavy twill	40
Mixed cotton and hemp cloth	28
Cotton socks (pair)	
White	9
Colored	10
Soap	
Laundry (13 ounce bar)	12
Toilet (4 ounce bar)	9
Electric light bulbs	
30 watts and smaller	30
40-60 watts	40
Over 60 watts	- a/

<u>Article</u>	<u>Ceiling Price</u> <u>(yen)</u>
Matches	
Small box	2
Large box	15
Bicycles tires	
26 inch	160
28 inch	175
Bicycles tubes	
26 inch	50
28 inch	60

a/ Electric light bulbs of more than 60 watts will sell for ¥ 1 per watt.

SOURCE: National Price Administration.

Effect of Establishment of Ceiling Prices

54. Less than 20 stores in the Seoul area were selling controlled-price items as of 17 July. Some stores had sold their entire stock of these items. Others held back their stocks.

Relation of Ceilings to Market Prices

55. Before the ceiling prices became effective, market prices of certain of these articles ranged from two to three times the ceiling prices. For example, in Seoul on 12 July rubber shoes were selling for ¥ 85 per pair; Zikatabi shoes, ¥ 145; cotton cloth, ¥ 70 per yard; laundry soap, ¥ 30 per bar; 40-watt light bulbs, ¥ 80 each. In the smaller cities and rural areas, these prices averaged somewhat lower.

Prices of Chinese Cabbage and Radish Seed

56. Wholesale and retail prices of Chinese cabbage and radish seed were established by the National Food Administrator. Chinese cabbage seed will be bought from the grower for ¥ 110.87 per liter and will sell for ¥ 124.17 per liter. Radish seed will be bought for ¥ 94.24 per liter and will sell for ¥ 105.55 per liter.

Breweries

57. On 1 July the price of beer was set at ¥ 264 per case. The restaurant consumer will pay ¥ 35, including tax, per bottle. The cost of beer is still only twice that of the pre-liberation period, whereas materials and labor have risen from 50 to 1,000 times.

Retail Price Levels

58. Retail prices of consumer goods continued to rise in July. The tables on page 41 give latest available quotations of the prices of selected articles in five major cities and in the eight provinces. The black-market price of cleaned rice in Seoul rose from ¥ 600 on 21 June to ¥ 955 on 19 July. Corresponding increases took place in other areas. Prices of practically all the other articles listed also rose in July. For the most part they are considerably higher in the cities than in the provinces.

RETAIL PRICES ON 5 CITIES
Medium Prices Used
(yen)

Item	Unit	Seoul	Pusan	Taejon	Kwangju	Taegu
		26 July	24 July	22 July	25 July	26 July
Cleaned rice <u>a/</u>	marl <u>b/</u>	950.00	1,250.00	740.00	845.00	800.00
Barley	marl	700.00	775.00	520.00	365.00	580.00
Soy beans	marl	600.00	625.00	400.00	840.00	450.00 <u>c/</u>
Millet	marl	-	700.00	-	-	-
Fresh fish	100 mme <u>d/</u>	-	22.50	-	90.00 <u>e/</u>	-
Salt	doi <u>f/</u>	55.00	32.50	15.00	52.50	30.00
Potatoes	keun <u>g/</u>	6.00	13.60	4.50	2.75	7.20
Sweet potatoes	keun	7.00	13.60	-	-	-
Cotton cloth	yd	70.00 <u>h/</u>	60.00	72.50 <u>h/</u>	117.00	45.00
Leather shoes	pr	500.00	750.00	575.00	750.00	750.00
Rubber shoes	pr	85.00 <u>h/</u>	140.00	92.00 <u>h/</u>	102.70	140.00
Charcoal	bag	75.00	70.00	60.00	-	75.00
Laundry soap	ea	-	22.50	32.50 <u>h/</u>	30.00	35.00
Matches	10 boxes	90.00 <u>h/</u>	90.00	100.00 <u>h/</u>	110.00	95.00
Electric light bulb, 40 watt	ea	40.00	100.00	135.00 <u>h/</u>	87.50	-

a/ Black market prices of rice.

g/ Price on 29 June.

b/ One marl equals 4.76 gallons.

f/ One doi equals 0.476 gallon.

c/ Price on 19 July.

e/ One keun equals 0.6 kilogram.

d/ 100 momme equals 0.375 kilogram.

h/ Price on 12 July.

SOURCE: Commerce Bureau, Research Statistics Records Section.

RETAIL PRICES IN 8 PROVINCES
Medium Price Used
14 - 20 July
(yen)

Item	Unit	Kyonggi-	Kangwon-	Chungchong-	Chungchong-	Cholla-	Cholla-	Kyongsang-	Kyongsang-
		do	do	pukto	namdo	pukto	nando <u>f/</u>	pukto	namdo
Cleaned rice <u>a/</u>	marl <u>b/</u>	860.00	780.00	800.00	680.00	555.00	400.00	532.50	790.00
Barley	marl	645.00	460.00	490.00	365.00	340.00	280.00	312.50	500.00
Soy beans	marl	500.00	532.00	455.00	400.00	450.00	300.00	337.50	560.00
Millet	marl	-	500.00	390.00	350.00	-	300.00	250.00	380.00
Fresh fish	100 mme <u>c/</u>	12.00	65.00	15.50	35.00	-	20.00	10.00	40.00
Salt	doi <u>d/</u>	32.50	16.00	31.00	21.00	55.00	17.00	35.00	55.00
Potatoes	keun <u>e/</u>	6.00	6.80	4.65	4.00	6.00	6.40	6.00	6.70
Sweet potatoes	keun	6.15	14.00	7.05	5.00	-	-	-	-
Cotton cloth	yard	67.50	80.00	64.00	62.50	75.50	60.00	60.00	65.00
Leather shoes	pair	612.50	700.00	600.00	700.00	850.00	825.00	700.00	775.00
Rubber shoes	pair	80.00	97.50	95.00	115.00	92.50	100.00	119.00	107.50
Charcoal	bag	60.00	30.00	32.50	50.00	57.50	75.00	52.50	34.00
Laundry soap	each	30.00	30.00	25.00	30.00	30.00	32.00	35.00	30.00
Matches	10 boxes	70.00	85.00	100.00	90.00	110.00	120.00	110.00	70.00
Electric light bulb, 40 watt	each	80.00	100.00	60.00	85.00	100.00	190.00	95.00	60.00

a/ Black market prices of rice.

b/ One marl equals 4.76 gallons.

c/ 100 momme equals 0.375 kilogram.

d/ One doi equals 0.476 gallon.

e/ One keun equals 0.6 kilogram.

f/ 30 June - 6 July.

SOURCE: Commerce Bureau, Research Statistics Records Section.

59. Prices of several important items have been charted on page 43 to show the extent of inflation during 1946.

GOVERNMENT CONTROL OF DISTRIBUTION

Factories Operated by Government

60. About 18 percent of the factories now in operation in Korea are vested factories under the immediate operation of the Military Government. The production of these factories reaches the market at a low price because of sales directly to consumers or through retail agencies.

Production Contracts

61. Various Military Government agencies such as the Korean Agricultural Association, the Federation of Financial Associations and the New Korea Company have production contracts with privately managed factories. Finished products such as farm implements are distributed directly by Military Government agencies to consumers at no profit.

62. All critical consumer goods under Military Government control are collected, sold and priced through the Bureau of Commerce. At the present time controlled commodities include: cotton, silk, rayon and mixed cloth, shoes, socks of cotton, wool and mixtures, matches, soap, paper and paper products, farm tools and implements, cement and leather.

63. Until recently the Materials Control Corporation was free to sell materials to any agency considered legitimate, but because of the need to conserve limited supplies of raw materials, the Department of Commerce, through the Bureau of Commerce, now gives final approval on all purchase contracts made between the Materials Control Corporation and prospective buyers. Unnecessary middlemen and profiteers are eliminated by this method.

National Commercial Agent

64. The Federation of Financial Associations as National Commercial Agent purchases, warehouses and distributes specified controlled commodities. At present these commodities include cotton cloth, silk cloth, matches, shoes and socks. The Federation has the authority to solicit purchasing contracts with Korean producers not directly under Military Government control.

Dissolution of New Korea Company

65. In accordance with the policy of liquidating the large organizations established while Korea was under Japanese domination, the New Korea Company will be dissolved. Since the company is complex and covers multiple enterprises, action will proceed slowly to avoid disrupting the economy.

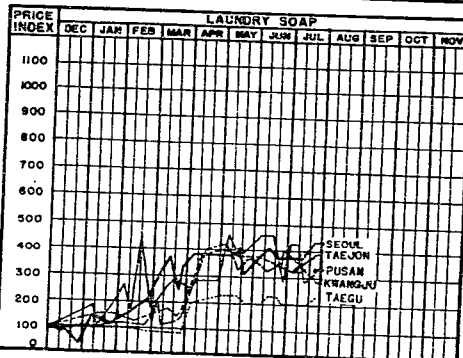
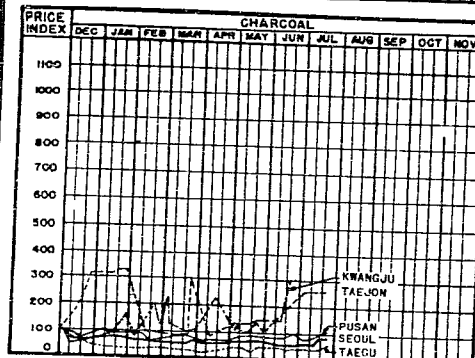
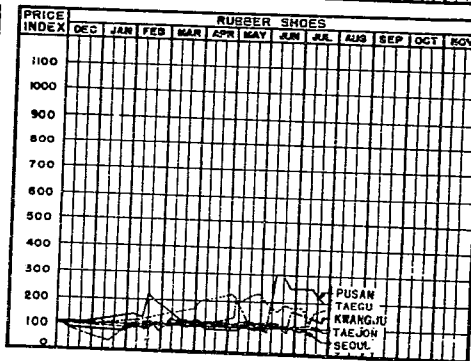
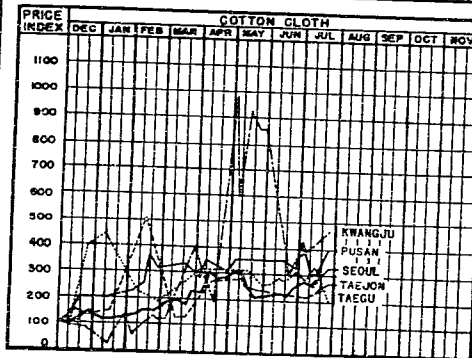
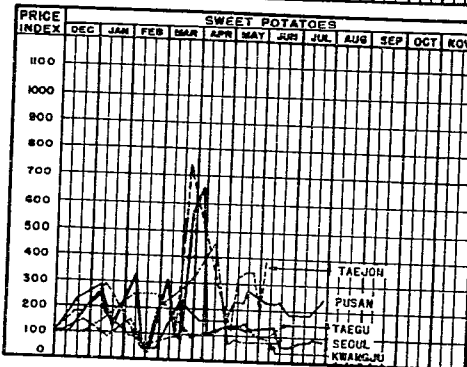
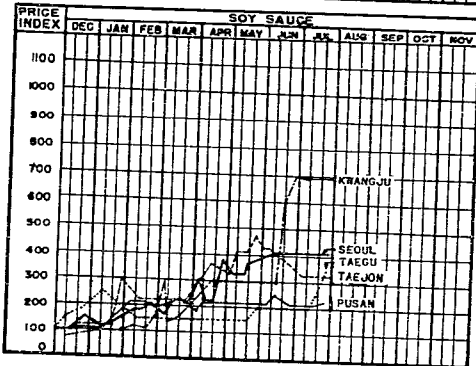
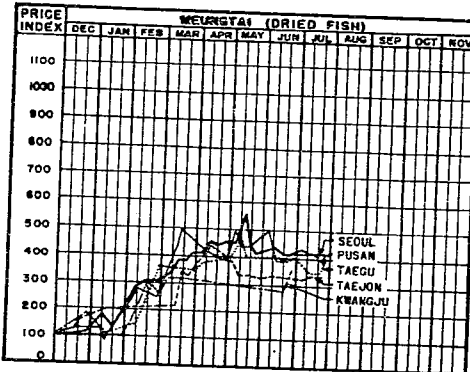
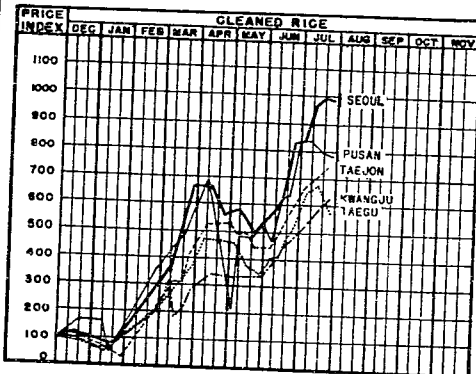
Korean Trucking Company

66. All provinces in South Korea are taking over vehicles of the Korean Trucking Company in their respective areas; the vehicles will be utilized for improving local economic conditions.

RETAIL PRICE INDEXES

EIGHT REPRESENTATIVE COMMODITIES—FIVE CITIES—SOUTH KOREA

SINCE DECEMBER 1945 (DECEMBER 1945=100)



* BASE PERIODS FOR FIVE CITIES: SEOUL 4 DEC; PUSAN 5 DEC; TAEJON 26 NOV; KWANGJU 3 DEC; TAEJU 29 NOV.
 SOURCE: USAMGIK
 JULY 46

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Foreign Exchange Control

72. Ordinance No. 93 prohibits, unless specifically authorized by the Military Government of Korea, any transaction in which any person or political entity outside of South Korea has an interest and any transaction which involves property of any of the following types, owned, held or controlled by any person or political entity in South Korea:

- (1) Property located outside of South Korea.
- (2) Gold, silver, platinum or other precious metals, including coin or bullion containing such metals.
- (3) Money not legal tender in South Korea.
- (4) Securities, negotiable instruments and other evidence of ownership or indebtedness expressed or payable in money not legal tender in South Korea or constituting an obligation of a person or political entity outside of South Korea.
- (5) Claims expressed in money not legal tender in South Korea or against any person or political entity outside of South Korea.
- (6) Property in which a person or political entity outside of South Korea has any interest.

All persons owning, holding or controlling any property described above, other than property in Japan, or owning any obligation of payment or performance to any person or political entity outside of South Korea, other than to a person in Japan or to the Japanese Government, shall file a written declaration of such asset or obligation with the nearest branch or designated agent of the Bank of Chosen.

COMMANDER-IN-CHIEF
UNITED STATES ARMY FORCES, PACIFIC

SUMMATION
of
UNITED STATES ARMY
MILITARY GOVERNMENT
ACTIVITIES
in
KOREA

Number 10

July 1946

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SOCIAL

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SECTION 1
PUBLIC HEALTH AND WELFARE

C O N T E N T S

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Dental Affairs	20
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PUBLIC WELFARE

Public Assistance

1. Subsidies to social welfare institutions were increased from ₩ 5 to ₩ 12 daily per capita.

Child Welfare

2. At the request of the heads of national, provincial and city welfare bureaus a four-week training course for Korean investigators of children's institutions was opened at the Chongno Settlement under the direction of a child welfare expert from the American Red Cross. Subjects included philosophical essentials of welfare work, improvement of physical standards, recreational and educational programs, case work in institutions and advanced standards of institutional care of children.

3. Buildings of the National Orphanage are being repaired and additions being constructed to accommodate 75 more children. In order to better control the children's diets a central kitchen is being built. Previously each house mother prepared the food in her dormitory.

4. Renovations to the dormitories of the National School for the Blind and Deaf will separate the blind from the deaf children.

A separate class and a newly repaired dormitory were made available for the blind children.

Voluntary Relief Imports

5. Relief supplies donated by the Church Committee for Relief in Asia valued at over \$125,000 arrived in Korea during the month.

Welfare Education

6. The training section of the Department of Public Health and Welfare prepared a film strip explaining the provisions of the Korean Relief Law.

Korean Red Cross

7. At a meeting of the Korean Red Cross Society held on 27 July a charter was adopted providing for the continuation of the Seoul Red Cross Hospital and clinics, additional health services, services to alleviate suffering caused by floods and other disasters, a Junior Red Cross program and a home nursing program. The charter follows the ideals endorsed by the International Red Cross.

During the same meeting Dr. Kim Kyu Sic was elected president of the Society.

Flood Relief

8. The personnel of the Courts and Prosecutors Bureau in Seoul contributed ¥ 5,364 to persons in South Korea who suffered losses in the recent floods.

9. A survey will be made throughout South Korea to determine critical areas and weaknesses in present emergency relief measures as brought out by the recent floods.

Relief Supplies

10. Since October 1945 161,000 tons of food have been used to feed about 2,000,000 returned Koreans.

Housing

11. One hundred seventy thousand families were rehoused and approximately the same number are in need of homes. There are 74 temporary refugee shelters with a total capacity of 31,720 persons and 43 semipermanent shelters accommodating 33,400.

Repatriation

12. By 28 July 783,340 Japanese nationals had returned to Japan from North and South Korea and 983,066 Koreans had returned to South Korea, 898,821 from Japan and 84,245 from other Pacific areas. The accompanying chart shows repatriation to and from Korea.

13. On 28 July 335 Japanese nationals, excluding refugees from the north, remained in South Korea.

The following figures show the number of Japanese repatriated to Japan by weeks:

<u>Week Ending</u>	<u>Number of Japanese Refugees from the North</u>	<u>Number of Japanese from the South</u>
26 May	10,771	0
2 June	11,738	168
9 June	11,252	0
16 June	8,646	158
23 June	12,437	0
30 June	7,336	85
7 July	1,273	0
14 July	1,239	34
21 July	2,287	0
28 July	1,998	68

19. A lack of textbooks and teaching aids is being met in part by Korean translations of pamphlets published by several American nursing organizations and nursing textbooks from the Office of the Surgeon General in Washington, D.C.

DENTAL AFFAIRS

20. A National Dental Board was established to continue to license and register dentists.

21. "Crownmakers," formerly recognized, are being abolished by requiring them to pass a practical examination followed by three months of schooling before receiving a local dental license.

VETERINARY AFFAIRS

Veterinary Examinations

22. A National Veterinary Board was created to examine, license and register all veterinarians.

23. Written veterinary examinations will be held from 2 to 8 September and tests in practical work will be given from 2 to 5 October.

Diseases

24. To prevent the spread of rinderpest from North Korea, where the disease was raging, 20,000 animals in a belt 5 to 10 miles wide south of the 38th parallel were inoculated to achieve a 90-day immunity.

25. The former high incidence of fowl pest has been reduced and outbreaks of blackleg, anthrax and glanders were also suppressed. All animal diseases are now under control.

SUPPLY

Production

26. Ten million cubic centimeters of reserve stock cholera vaccine were requisitioned from Japan during the month and 9,685,500 cubic centimeters were received.

Korean production during July was 11,708,800 cubic centimeters, sufficient to supply Korean needs.

27. It will be six to nine months before adequate production of typhus vaccine will be possible.

Korea is making either, adhesive tape, glucose for injection, cough syrups, headache powders, stomach remedies, iodine and antiseptics.

Distribution

28. Twenty-eight tons of medical supplies arrived from the United States including prepared drugs, vaccines, toxoids, surgical and dental supplies and instruments and 260 basic items for drug manufacturing. There were 200,000 packages of typhus vaccine, enough to treat 20,000,000 people; 25,000 vials of antiplague shots, for 350,000 people; and 243,000 cubic centimeters of diphtheria toxoid, for inoculation of children.

These supplies were distributed to 55 major hospitals, 780 small private hospitals, three leprosariums, 50 public clinics, dental colleges and accredited dentists.

29. The Military Government announced on 22 July that effective 1 August wholesalers will be authorized to sell medical supplies directly to pharmacies, drug merchants and public hospitals. Doctors and private hospitals will not be allowed to buy direct from wholesalers after 15 August but will be allowed a 10 percent discount on purchases made from retail druggists.

PREVENTIVE MEDICINE

Cholera

30. By 31 July 7,642 cholera cases had been reported with 4,878 deaths. Incidence dropped in Pusan and Taegu, the main foci of the disease.

As most areas of Pusan have been cholera free for 14 days or more the quarantine of these sections was lifted. Only 10 new cases developed from 10 to 16 July. The entire population of the city received two inoculations against the disease.

31. At the request of the commanding general of the Soviet Forces in North Korea the weekly exchange of mail between North and South Korea was temporarily postponed in an effort to stop the spread of cholera.

Insect and Rodent Control

32. The insect and rodent control program is progressing satisfactorily in all provinces but is being hindered by the lack of sufficient equipment.

Sanitation

33. Sanitation work, formerly under the Department of Police, became a function of the Bureau of Sanitation of the Department of Public Health and Welfare.

34. There are no sewage treatment plants nor sewage disposal in Korea except in large cities where water borne systems discharge raw sewage into streams. There are 70 water purification plants in Korea.